Gunnison County

Financial Report

December 31, 2013

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Gunnison County, Colorado
Financial Report
December 31, 2013

Table of Contents

	Page
INDEPENDENT AUDITOR'S REPORT	A1 - A2
Management's Discussion and Analysis	B1 – B6
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position	C1
Statement of Activities	C2
Fund Financial Statements:	
Governmental Funds:	
Balance Sheet	C3
Reconciliation of Governmental Fund Balance to Statement of Statement of Net Position	C4
Statement of Revenues, Expenditures and Changes in Fund Balances	C5
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	C6
Proprietary Funds:	
Statement of Net Position	C7
Statement of Revenues, Expenses, and Changes in Fund Net Position	C8
Statement of Cash Flows	C9
Fiduciary Funds:	
Statement of Assets and Liabilities	C10
Notes to the Financial Statements	D1 – D34
Required Supplementary Information:	
General Fund:	
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget (GAAP Basis) and Actual	E1
Schedule of Revenues - Budget (GAAP Basis) and Actual	E2
Schedule of Expenditures - Budget (GAAP Basis) and Actual	E3
Major Special Revenue Funds:	
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget (GAAP Basis) and Actual:	
Road and Bridge Fund	E4
Human Services Fund	E5
Sales Tax Capital Improvement Fund	E6
Supplementary Information:	
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget (GAAP Basis) and Actual - Capital Projects Funds -	
Airport Construction Fund	F1
Capital Expenditures Fund	F2
Non-major Governmental Funds:	
Combining Balance Sheet	F3
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances	F4

DRAFT

Gunnison County, Colorado
Financial Report
December 31, 2013

Table of Contents
(Continued)

	Page
Supplementary Information (continued):	
Non-major Special Revenue Funds (continued):	
Schedule of Revenues, Expenditures and Changes in Fund Balances -	
Budget (GAAP Basis) and Actual:	
Conservation Trust Fund	F5
Gunnison County Public Health Fund	F6
Mosquito Control Fund	F7
Land Preservation Fund	F8
Sage Grouse Fund	F9
Risk Management Fund	F10
Gunnison County Housing Authority Administration	F11
Local Marketing District	F12
Debt Service Fund	F13
Proprietary Funds:	
Schedule of Revenues, Expenditures and Available Resources -	
Budget (Non-GAAP Basis) and Actual:	
Airport Operations Fund	F14
Gunnison County Sewer Fund	F15
Gunnison County Water Fund	F16
Landfill Operations Fund	F17
Gunnison County Housing Authority- Assisted Living	F18
Gunnison County Housing Authority- Mountain View	F19
Internal Service Funds:	
Combining Statement of Net Position	F20
Combining Statement of Revenues, Expenses and Changes in Fund Net Position	F21
Combining Statement of Cash Flows	F22
Schedule of Revenues, Expenditures and Available Resources -	
Budget (Non-GAAP Basis) and Actual:	
Internal Service Fund I	F23
Internal Service Fund II	F24
Internal Service Fund III	F25
Fiduciary Funds:	
Schedule of Changes in Assets and Liabilities:	
County Treasurer Agency Fund	F26
Public Trustee Agency Fund	F27
Annual Schedule of Revenues and Expenditures for Roads, Bridges and Streets	F28 - F29

DRAFT

Gunnison County, Colorado
Financial Report
December 31, 2013

Table of Contents
(Continued)

	Page
Single Audit Reports and Schedules:	
Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards	G1 - G2
Report on Compliance with Requirements Applicable to each Major Program and Internal Control Over Compliance in Accordance with OMB Circular A-133	G3 – G4
Schedule of Findings and Questioned Costs	G5
Schedule of Prior Audit Findings and Questioned Costs	G6
Schedule of Expenditures of Federal Awards	G7 – G8
Schedule of Passenger Facility Charges Collected and Expended	G9

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INDEPENDENT AUDITOR'S REPORT

To the Board of County Commissioners
Gunnison County, Colorado

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of Gunnison County, Colorado (the "County"), as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit includes performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the County's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall financial statement presentation.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Gunnison County, Colorado as of December 31, 2013, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis in Section B be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

The budgetary comparison information in section E is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. The budgetary comparison information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statement or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's financial statements taken as a whole. The combining fund financial statements, individual fund budgetary information, the Local Highway Finance Report, and the statistical section listed in the accompanying table of contents are presented for purposes of additional analysis and are not a required part of the County's financial statements. The combining fund financial statements, the individual fund budgetary information, and the Local Highway Finance Report are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

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Additionally, the Schedule of Passenger Facility Charges Collected and Expended in section F, and the Schedule of Expenditures of Federal Awards included in the Single Audit section are presented for the purpose of additional analysis, as required by the *Passenger Facility Charge Audit Guide for Public Agencies, issued by the Federal Aviation Administration,* and U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations,* and are not a required part of the County's financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statement or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Passenger Facility Charges Collected and Expended and the Schedule of Expenditures of Federal Awards are fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards,* we have also issued our report dated July 31, 2014 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

McMahan and Associates, L.L.C.
July 31, 2014

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MANAGEMENT'S DISCUSSION AND ANALYSIS

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Gunnison County
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Gunnison County, Colorado

Management's Discussion and Analysis

December 31, 2013

As management of the Gunnison County (the "County"), we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended December 31, 2013.

Financial Highlights

- On a short term view, the County's governmental funds increased $7,440,146. This was primarily due to the issuance of the 2013 Certificates of Participation for the courthouse renovation.
- On a long term view the County's governmental activities increased net position by $6,199,392. This occurred because the County's revenues exceeded expenditures.
- On a short term view the County's business type funds available resources decreased ($175,103). This is mainly due to decreases in the Airport Operations Fund.
- On a long-term view the County's business type activities decreased net position by ($2,315,865). This decrease is primarily due to decreases in the Airport Operations Fund and Landfill Operations Fund.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements are comprised of three components: 1) government-wide financial statements; 2) fund financial statements; and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves. The County has three component units: 1) The Gunnison Valley Hospital and Health Care Center, 2) the Gunnison County Housing Authority ("Authority") and 3) the Gunnison River Valley Local Marketing District. The latter two entities are treated as a blended component unit, meaning they are treated as funds of the County, because their Boards are the same as the Board of County Commissioners. The Hospital is treated as a discretely presented component unit. Refer to the Hospitals separately issued financial statements.

Government-wide Financial Statements: The government-wide financial statements are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private-sector business.

The Statement of Net Position presents information on all the County's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The Statement of Activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes).

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Overview of the Financial Statements (continued)

Both of the government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges, (business-type activities). The governmental activities of the County include general government, judicial, public safety, health and welfare, auxiliary services, culture and recreation and public works. The business-type activities of the County include those relating to the airport, water systems, sewer systems, landfill and housing operations.

The government-wide financial statements can be found on pages C1 and C2 of this report.

Fund Financial Statements: A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental Funds: Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements. The County's major governmental funds include the General Fund, Road and Bridge Fund, Human Services Fund, Sales Tax Capital Improvement Fund, Airport Construction, and Capital Expenditures Fund. The County also reports a number of minor governmental funds.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. The Balance Sheet and the Statement of Revenues, Expenditures and Changes in Fund Balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The County adopts an annual appropriated budget for all its Funds. A budgetary comparison statement has been provided for all funds to demonstrate compliance with this budget.

The basic major governmental fund financial statements can be found on pages C3 through C6.

Proprietary Funds: The County maintains proprietary funds commonly known as enterprise funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The County uses enterprise funds to account for its airport, water, sewer, landfill and housing authority operations.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for each of the business-type services provided by the County, each of which is considered to be a major fund of the County.

The basic proprietary fund financial statements can be found on pages C7 through C9 of this report.

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Overview of the Financial Statements (continued)

Fiduciary Funds: Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The fiduciary funds used by the County account for the County Treasurer and the Public Trustee, both of which collect and hold assets on behalf of other individuals and governments.

The basic fiduciary fund financial statements can be found on page C10 of this report.

Notes to the Financial Statements: The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The Notes to the Financial Statements can be found in Section D of this report.

Government-wide Financial Analysis

Traditionally, the largest portion of any County's investments is in its capital assets. Land, buildings, equipment, machinery, and specialized tools are necessary in order to deliver and/or provide services to the County's residents and visitors.

At the end of the 2013 fiscal year, the County is able to report positive balances in all three categories of net position, first for the government as a whole, and then as separate governmental and business-type activities.

	Governmental Activities		Business-type Activities		Total	
	2013	2012	2013	2012	2013	2012
Assets:						
Current and other assets	41,155,777	31,529,183	5,076,258	5,383,822	46,232,035	36,913,005
Capital assets, net	44,558,097	37,115,859	43,963,395	45,723,103	88,521,492	82,838,962
Total Assets	85,713,874	68,645,042	49,039,653	51,106,925	134,753,527	119,751,967
Deferred Outflow of Resources:						
Deferred Outflow of Resources	-	111,097	-	291,829	-	402,926
Total Outflow of Resources	-	111,097	-	291,829	-	402,926
Liabilities:						
Other liabilities	6,256,518	5,115,576	198,112	316,771	6,454,630	5,432,347
Long-term liabilities	28,471,260	19,140,238	5,834,037	5,466,785	34,305,297	24,607,023
Total Liabilities	34,727,778	24,255,814	6,032,149	5,783,556	40,759,927	30,039,370
Deferred Inflow of Resources:						
Deferred Inflow of Resources	6,561,913	6,164,441	-	-	6,561,913	6,164,441
Total Inflow of Resources	6,561,913	6,164,441	-	-	6,561,913	6,164,441
Net Position:						
Net investment in capital assets	15,963,313	18,166,877	39,372,550	41,388,256	55,335,863	59,555,133
Restricted	4,642,157	2,200,937	1,159,429	1,263,534	5,801,586	3,464,471
Unrestricted	23,818,713	17,968,070	2,475,525	2,963,408	26,294,238	20,931,478
Total Net Position	44,424,183	38,335,884	43,007,504	45,615,198	87,431,687	83,951,082

Government-wide Financial Analysis (continued)

Governmental Activities: Governmental activities increased $6,199,392 while Business-type activities decreased $2,315,822. Key elements of this increase were as follows:

Significant events impacting 2013 were:

- Net position as a result of governmental activities increased $6,199,392 because total governmental revenues exceeded total governmental expenses.
- Net position as a result of business type activities decreased $2,315,822 because total business type expenditures exceeded total business type revenues.

	Governmental Activities		Business-type Activities		Total	
	2013	2012	2013	2012	2013	2012
Revenues:						
Program revenues:						
Charges for services	2,427,891	2,815,781	3,006,437	2,900,241	5,434,328	5,716,022
Grants and contributions	17,032,353	12,296,792	6,861	70,510	17,039,214	12,367,302
General revenues:						
Sales taxes	1,835,454	1,726,268	24,117	35,683	1,859,571	1,761,951
Property taxes	7,163,124	7,278,102	-	-	7,163,124	7,278,102
Other taxes	1,579,750	1,506,691	-	-	1,579,750	1,506,691
Interest and other revenue	92,511	192,290	18,826	47,940	111,337	240,230
Total Revenues	30,131,083	25,815,924	3,056,241	3,054,374	33,187,324	28,870,298
Expenses:						
General government	7,094,484	8,082,650	-	-	7,094,484	8,082,650
Judicial	870,412	252,849	-	-	870,412	252,849
Public safety	3,204,744	2,686,129	-	-	3,204,744	2,686,129
Health and welfare	5,101,838	4,993,542	-	-	5,101,838	4,993,542
Auxiliary services	264,163	254,582	-	-	264,163	254,582
Culture and recreation	1,068,592	1,236,329	-	-	1,068,592	1,236,329
Public works	5,460,692	5,177,367	-	-	5,460,692	5,177,367
Interest on long-term debt	970,655	1,040,570	-	-	970,655	1,040,570
Airport operations	-	-	2,743,201	2,646,560	2,743,201	2,646,560
Sewer	-	-	573,226	545,648	573,226	545,648
Water	-	-	562,498	521,288	562,498	521,288
Landfill	-	-	1,125,047	684,346	1,125,047	684,346
Housing	-	-	268,945	313,538	268,945	313,538
Total Expenses	24,035,580	23,724,018	5,272,917	4,711,380	29,308,497	28,435,398
Change in Net Position before Transfers	6,095,503	2,091,906	(2,216,676)	(1,657,006)	3,878,827	434,900
Transfers	99,389	(868,869)	(99,389)	868,869	-	-
Loss on disposals	4,500	(351,502)	200	4,356	4,700	(347,146)
	103,889	(1,220,371)	(99,189)	873,225	4,700	(347,146)
Change in Net Position	6,199,392	871,535	(2,315,865)	(783,781)	3,883,527	87,754
Net Position - Beginning	38,335,884	37,464,349	45,615,198	46,398,979	83,951,082	83,863,328
Prior Period Adjustment	(111,093)	-	(291,829)	-	(402,922)	-
Net Position - Beginning	38,224,791	37,464,349	45,323,369	46,398,979	83,548,160	83,863,328
Net Position - Ending	44,424,183	38,335,884	43,007,504	45,615,198	87,431,687	83,951,082

Government-wide Financial Analysis (continued)

Financial Analysis of the County's Funds

As mentioned earlier, the County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All County funds had a nominal change in available resources:

The County's available resources for 2013 is charted below:

	Beginning Available Resources (Restated)	Increase (Decrease)	Ending Available Resources	2013 Expenditures	% of EAR to Expenditures
Governmental Major Funds:					
General Fund	7,448,927	(546,849)	6,902,077	14,039,476	49%
Road & Bridge	4,715,561	(2,450,098)	2,265,463	13,808,223	16%
Human Services Fund	492,561	26,967	519,528	3,694,320	14%
Sales Tax Fund	1,861,419	(304,464)	1,556,954	1,827,778	85%
Airport Construction Fund	(301,347)	398,407	97,060	240,169	40%
Capital Expenditures Fund	2,331,177	9,257,452	11,588,629	(9,178,213)	-126%
Non-Major Funds	1,608,278	1,058,731	2,667,009	3,522,289	76%
Business Type Funds:					
Airport Operations Fund	766,661	(55,545)	711,116	1,216,745	58%
Sewer Fund	888,391	(35,793)	852,598	520,678	164%
Water Fund	289,063	185,107	474,170	1,664,844	28%
Solid Waste Fund	2,786,500	(301,584)	2,484,916	1,093,578	227%
Assisted Living Fund	3,051	-	3,051	36,488	8%
Mountain View Fund	167,238	32,712	199,950	193,313	103%
Internal Service Funds:					
ISF I Fund	1,546,798	736,851	2,283,649	2,210,381	103%
ISF II Fund	583,352	17,795	601,147	795,194	76%
ISF III Fund	1,111,548	262,496	1,374,044	3,368,773	41%
	26,299,178	8,282,184	34,581,362	39,054,036	89%

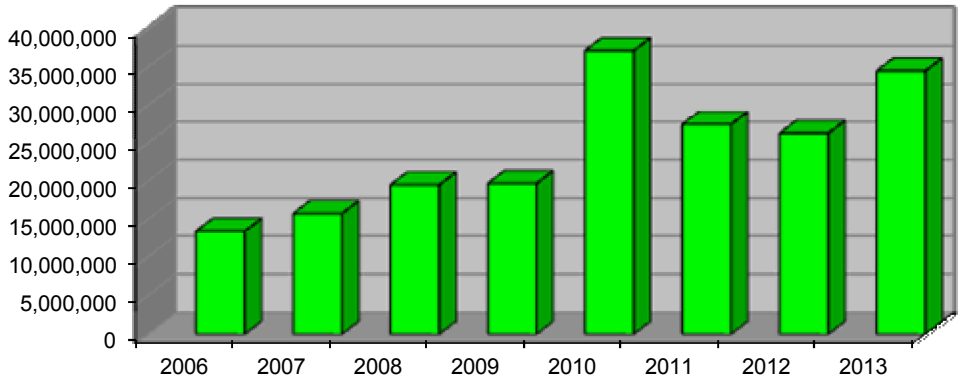
Governmental Funds: The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County's financing requirements. In particular, unreserved fund balances may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the County's governmental funds increased $7,440,146. This was primarily due to the issuance of the 2013 Certificates of Participation for the courthouse renovation.

Government-wide Financial Analysis (continued)

Financial Analysis of the County's Funds

The following chart represents the County's available resources for the past several years.



Proprietary Funds: The County's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

The County's proprietary funds decreased net position by $2,315,822.

Budget Variances in the General Fund: The General Fund budget was amended during the year by $3,623,226. Actual Expenditures were $1,075,186 less than the amended budget.

Capital Assets: The County's capitalization policy pertains to assets with a purchase value of $4,000 or greater. Assets of lesser value are treated as operational expenditures. Additional information as well as a detailed classification of the County's net capital assets can be found in the Notes to the Financial Statement in Section D of this report.

Long-term Debt: As of the end of the current fiscal year, the County's long-term liabilities totaled $35,761,932. Additional information as well as a detailed classification of the County's total long-term liabilities can be found in the Notes to the Financial Statements in section D of this report.

Next Year's Budget and Rates: The County's General Fund balance at the end of fiscal year 2013 totaled $6,902,077. The 2013 budget anticipates decreasing this balance by $999,037.

Request for Information

This financial report is designed to provide a general overview of the County's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Gunnison County, County Finance Director, 200 E. Virginia Avenue, Gunnison, CO 81230

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GOVERNMENT-WIDE FINANCIAL STATEMENTS

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Gunnison County
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Gunnison County
Statement of Net Position
December 31, 2013

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Hospital
Assets:				
Cash and investments - Unrestricted	14,734,297	2,209,672	16,943,969	18,303,399
Cash and investments - Restricted	16,141,072	2,597,662	18,738,734	-
Due from other governments	1,994	(25,579)	(23,585)	-
Accounts, taxes, and other receivables	9,642,373	287,141	9,929,514	3,390,296
Prepaid expenses	75,005	19,201	94,206	399,948
Inventory	549,197	-	549,197	1,161,977
Internal balances	11,839	(11,839)	-	-
Capital Assets:				
Capital assets, not depreciated	10,850,031	11,303,849	22,153,880	-
Capital assets, net	33,708,066	32,659,546	66,367,612	18,687,869
Total Assets	85,713,874	49,039,653	134,753,527	41,943,489
Deferred Outflows of Resources:				
Deferred outflow from interest rate swap	-	-	-	184,440
Total Deferred Outflows of Resources	-	-	-	184,440
Liabilities:				
Accounts payable	3,177,879	181,175	3,359,054	793,052
Accrued expenses	470,687	16,937	487,624	2,353,757
Deposits	306,932	-	306,932	-
Accrued interest	-	56,590	56,590	-
Unearned grant revenue	787,752	-	787,752	
Non-current Liabilities:				
Due within one year:				
Accrued compensated absences	555,898	38,302	594,200	-
Leases	156,467	-	156,467	476,690
Bonds	-	44,730	44,730	795,000
Certificates of participation	685,000	-	685,000	-
Loans	115,903	50,550	166,453	-
Due in more than one year:				
Accrued compensated absences	833,846	57,454	891,300	-
Leases	818,541	-	818,541	663,897
Bonds	-	2,748,200	2,748,200	11,245,054
Certificates of participation	26,159,919	-	26,159,919	-
Landfill closure and postclosure costs	-	1,090,847	1,090,847	-
Loans	658,954	1,747,364	2,406,318	-
Total Liabilities	34,727,778	6,032,149	40,759,927	16,327,450
Deferred Inflows of Resources:				
Deferred inflow from interest rate swap	-	-	-	184,440
Unavailable property tax revenue	6,561,913	-	6,561,913	-
Total Deferred Inflows of Resources	6,561,913	-	6,561,913	184,440
Net Position:				
Net investment in capital assets	15,963,313	39,372,551	55,335,864	7,487,967
Restricted for:				
Emergencies	854,000	-	854,000	-
Debt service	3,163,955	-	3,163,955	-
Other purposes	624,202	1,159,429	1,783,631	1,497,384
Unrestricted	23,818,713	2,475,524	26,294,237	16,630,688
Total Net Position	44,424,183	43,007,504	87,431,687	25,616,039

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The accompanying notes are an integral part of these financial statements.

Gunnison County, Colorado
Statement of Activities
For the Year Ended December 31, 2013

		Program Revenues			Net (Expense) Revenue and Changes in Net Position			Component Unit
					Primary Governments			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total	Hospital
Functions/Programs:								
Primary Government:								
Governmental Activities:								
General government	7,094,484	1,752,032	199,935	-	(5,142,517)		(5,142,517)	
Judicial	870,412	-	-	-	(870,412)		(870,412)	
Public safety	3,204,744	230,554	87,770	-	(2,886,420)		(2,886,420)	
Health and welfare	5,101,838	163,054	4,493,396	-	(445,388)		(445,388)	
Auxiliary services	264,163	35,131	-	-	(229,032)		(229,032)	
Culture and recreation	1,068,592	15,890	71,586	-	(981,116)		(981,116)	
Public works	5,460,692	231,230	10,348,871	77,150	5,196,559		5,196,559	
Interest on long-term debt	970,655	-	-	-	(970,655)		(970,655)	
Total Governmental Activities	24,035,580	2,427,891	15,201,558	77,150	(6,328,981)		(6,328,981)	
Business-type Activities:								
Airport	2,743,201	1,133,972	-	5,707		(1,603,522)	(1,603,522)	
Sewer	573,226	480,113	-	-		(93,113)	(93,113)	
Water	562,498	349,240	-	-		(213,258)	(213,258)	
Landfill	1,125,047	780,910	1,154	-		(342,983)	(342,983)	
Housing	268,945	262,202	-	-		(6,743)	(6,743)	
Total Business-type Activities	5,272,917	3,006,437	1,154	5,707		(2,259,619)	(2,259,619)	
Total Primary Government	29,308,497	5,434,328	15,202,712	82,857	(6,328,981)	(2,259,619)	(8,588,600)	
Component Unit:								
Hospital	27,800,829	31,195,804	-	-				3,394,975
General Revenues and Transfers:								
Taxes:								
Property taxes					7,163,124	-	7,163,124	559,731
Specific ownership taxes					410,845	-	410,845	-
Sales taxes					1,835,454	24,117	1,859,571	-
Marketing and promotion taxes					1,134,419	-	1,134,419	-
Other taxes					34,486	-	34,486	-
Investment earnings					92,511	18,826	111,337	137,352
Grants and contributions not restricted to specific programs					1,753,645	-	1,753,645	176,067
Transfers					99,389	(99,389)	-	-
Gain on asset disposals					4,500	200	4,700	20,400
Total General Revenues and Transfers					12,528,373	(56,246)	12,472,127	893,550
Change in Net Position					6,199,392	(2,315,865)	3,883,527	4,288,525
Net Position - Beginning of Year					38,335,884	45,615,198	83,951,082	21,327,514
Prior Period Adjustment - See Note V.I.					(111,093)	(291,829)	(402,922)	(324,644)
Net Position - Beginning of Year (Restated)					38,224,791	45,323,369	83,548,160	21,002,870
Net Position - End of Year					44,424,183	43,007,504	87,431,687	25,616,039

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The accompanying notes are an integral part of these financial statements.

FUND FINANCIAL STATEMENTS

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Gunnison County, Colorado
Governmental Funds
Balance Sheet
December 31, 2013

	General Fund	Road and Bridge Fund	Human Services Fund	Sales Tax Capital Improvement Fund	Airport Construction Fund	Capital Expenditures Fund	Non-major Governmental Funds	Total Governmental Funds
Assets:								
Cash and investments - Unrestricted	4,472,076	3,326,154	635,370	844,804	83,586	407,963	1,302,140	11,072,093
Cash and investments - Restricted	3,227,947	-	-	-	-	11,179,896	1,733,229	16,141,072
Accounts receivable	6,781,649	686,318	398,712	379,725	13,474	44,857	310,762	8,615,497
Prepaid expenses	-	-	-	-	-	-	13,995	13,995
Due from other governments	9,035	-	-	-	-	-	(7,041)	1,994
Due from other funds	-	-	-	481,119	-	199,599	48,407	729,125
Total Assets	14,490,707	4,012,472	1,034,082	1,705,648	97,060	11,832,315	3,401,492	36,573,776
Liabilities, Deferred Inflow of Resources, and Fund Balances:								
Liabilities:								
Accounts payable	331,004	1,392,639	406	148,694	-	243,686	13,015	2,129,444
Accrued liabilities	294,554	-	-	-	-	-	-	294,554
Deposits	82,515	224,417	-	-	-	-	-	306,932
Unearned grant revenue	95,997	-	497,663	-	-	-	203,381	797,041
Due to other funds	222,647	129,953	16,485	-	-	-	518,087	887,172
Total Liabilities	1,026,717	1,747,009	514,554	148,694	-	243,686	734,483	4,415,143
Deferred Inflow of Resources:								
Unavailable property tax revenue	6,561,913	-	-	-	-	-	-	6,561,913
Total Deferred Inflow of Resources	6,561,913	-	-	-	-	-	-	6,561,913
Fund Balances:								
Non-spendable	-	-	-	-	-	-	13,995	13,995
Spendable:								
Restricted	1,604,000	2,265,463	519,528	1,556,954	-	11,179,896	905,803	18,031,644
Committed	2,477,947	-	-	-	-	-	1,722,507	4,200,454
Assigned	-	-	-	-	97,060	408,733	649,183	1,154,976
Unassigned	2,820,130	-	-	-		-	(624,479)	2,195,651
Total Fund Balances	6,902,077	2,265,463	519,528	1,556,954	97,060	11,588,629	2,667,009	25,596,720
Total Liabilities, Deferred Inflow of Resources, and Fund Balances	14,490,707	4,012,472	1,034,082	1,705,648	97,060	11,832,315	3,401,492	36,573,776

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The accompanying notes are an integral part of these financial statements.

Gunnison County, Colorado
Reconciliation of Governmental Fund Balances to
Statement of Net Position
December 31, 2013

Total Governmental Fund Balances		25,596,720
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. However, in the Statement of Net Position, the cost of those assets are capitalized and expensed over their estimated lives through annual depreciation expense.		
Cost of capital assets	73,984,437	
Less accumulated depreciation	(29,426,340)	44,558,097
Internal service funds are used by management to charge the costs of the motor pool, equipment costs and health insurance to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Net Position. This represents the net equity of the internal service funds less the fixed assets and long-term liabilities which are included in this reconciliation.		4,353,894
Long-term payables represent amounts payable which have been incurred but not yet payable. This represents amounts due to the Gunnison Valley Animal Shelter as part of a three year agreement.		(100,000)
Long-term liabilities, including leases payable, bonds payable, compensated absences, and interest payable are not due and payable in the current period and, therefore, are not reported in the funds. The following liabilities are are reported in the government-wide Statement of Net Position.		
Accrued compensated absences	(1,389,744)	
COPS	(26,844,919)	
Leases	(975,008)	
Loans	(774,857)	(29,984,528)
Net Position of Governmental Activities		44,424,183

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The accompanying notes are an integral part of these financial statements.

Gunnison County, Colorado
Governmental Funds
Statement of Revenues, Expenditures and Changes in Fund Balances
December 31, 2013

	General Fund	Road and Bridge Fund	Human Services Fund	Sales Tax Capital Improvement Fund	Airport Construction Fund	Capital Expenditure Fund	Non-major Governmental Funds	Total Governmental Funds
Revenues:								
Taxes	7,133,660	143,796	266,885	1,520,286	-	-	1,513,437	10,578,064
Licenses and permits	294,276	-	-	-	-	-	-	294,276
Intergovernmental	1,689,511	10,816,872	3,444,359	-	173,306	77,150	622,726	16,823,924
Charges for services	1,412,246	64,882	-	-	110,973	-	100,618	1,688,719
Investment income	57,921	16,665	-	3,028	97	2,089	12,719	92,519
Contributions	94,678	-	6,275	-	-	-	92,374	193,327
Miscellaneous	229,774	97,318	3,768	-	-	-	131,293	462,153
Total Revenues	10,912,066	11,139,533	3,721,287	1,523,314	284,376	79,239	2,473,167	30,132,982
Expenditures:								
General government	6,585,880	-	-	34,152	-	11	1,074,032	7,694,075
Judicial	262,382	-	-	-	-	927,511	-	1,189,893
Public safety	2,850,013	-	-	-	-	7,530	-	2,857,543
Health and welfare	867,199	-	3,561,044	-	-	-	593,018	5,021,261
Auxiliary services	265,738	-	-	-	-	-	-	265,738
Culture and recreation	310,565	-	-	-	-	-	479,194	789,759
Public works	142,792	12,733,006	-	-	152,483	420	-	13,028,701
Debt service	35,583	-	-	162,167	114,002	-	1,376,045	1,687,797
Total Expenditures	11,320,152	12,733,006	3,561,044	196,319	266,485	935,472	3,522,289	32,534,767
Excess (Deficiency) of Revenues Over Expenditures	(408,086)	(1,593,473)	160,243	1,326,995	17,891	(856,233)	(1,049,122)	(2,401,785)
Other Financing Sources (Uses):								
Transfers in	2,580,561	218,592	-	-	-	695,302	2,333,366	5,827,821
Transfers (out)	(2,719,324)	(1,075,217)	(133,276)	(1,631,459)	26,316	(580,717)	(225,513)	(6,339,190)
Debt proceeds	-	-	-	-	354,200	9,999,100	-	10,353,300
Total Other Financing Sources (Uses)	(138,763)	(856,625)	(133,276)	(1,631,459)	380,516	10,113,685	2,107,853	9,841,931
Net Change in Fund Balances	(546,849)	(2,450,098)	26,967	(304,464)	398,407	9,257,452	1,058,731	7,440,146
Fund Balances - Beginning of Year	7,448,926	4,715,561	492,561	1,861,418	(301,347)	2,331,177	1,608,278	18,156,574
Fund Balances - End of Year	6,902,077	2,265,463	519,528	1,556,954	97,060	11,588,629	2,667,009	25,596,720

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The accompanying notes are an integral part of these financial statements.

Gunnison County
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities
For the Year Ended December 31, 2013

Net Changes In Fund Balances - Total Governmental Funds		7,440,146
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay exceeded depreciation expense in the current period for all governmental activities excluding internal service funds which is shown separately below:		
Depreciation expense	(1,523,570)	
Capital outlay	9,399,013	7,875,443
The internal service funds are used by management to charge the costs of the motor pool, equipment costs and health insurance to individuals funds. The net revenue of these funds is reported with governmental activities in the Statement of Activities.		583,936
The issuance of debt (and related premium) increases the current available resources but does result in increased net position. This is the amount of debt issued during the year, related premium, and related accrued interest not expended.		
Debt issued	(10,064,196)	
Premium	(289,100)	(10,353,296)
Capitalization of bond premiums is recognized as a liability in Statement of Net Position but is recognized over time in the Statement of Activities:		
Amortization expense		19,181
Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.		688,312
Long-term payables represent amounts payable which have been incurred but not yet payable. This represents the change in amounts due to the Gunnison Valley Animal Shelter.		(100,000)
Compensated absences reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. This represents the change in compensated balances during the past year for governmental funds.		
Liability @ December 31, 2013	1,294,691	
Liability @ December 31, 2012	1,340,361	45,670
Change in Net Position of Governmental Activities		6,199,392

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The accompanying notes are an integral part of these financial statements.

Gunnison County, Colorado
Proprietary Funds
Statement of Net Position
December 31, 2013

	Business-type Activities - Enterprise Funds							Governmental Activities - Internal Service Funds
	Airport Operations Fund	Gunnison County Sewer Fund	Gunnison County Water Fund	Landfill Operations Fund	Gunnison County Housing Auth. Assisted Lvg.	Gunnison County Housing Auth. Mtn. View	Totals	
Assets:								
Current Assets:								
Cash and investments - Unrestricted	723,857	892,603	348,370	124,918	3,051	116,873	2,209,672	3,662,204
Cash and inestments - Restricted	-	83,180	3,568	2,340,641	-	170,273	2,597,662	-
Accounts receivable, net of allowance for uncollectible accounts where applicable	98,348	(29,409)	153,773	64,050	-	379	287,141	1,026,876
Due from other governments	-	-	-	-	-	(25,579)	(25,579)	-
Prepaid expenses	16,869	263	262	1,537	-	270	19,201	61,011
Due from other funds	20,841	-	-	-	-	11,053	31,894	176,619
Inventory, at cost	-	-	-	-	-	-	-	549,197
Total Current Assets	859,915	946,637	505,973	2,531,146	3,051	273,269	5,119,991	5,475,907
Non-current Assets:								
Construction-in-progress	-	-	-	-	-	-	-	-
Land, property and equipment	49,706,747	7,272,036	10,057,152	333,090	2,037,513	1,731,726	71,138,264	19,837,446
Less accumulated depreciation	(16,761,020)	(2,950,095)	(5,641,728)	(174,940)	(466,269)	(1,180,816)	(27,174,868)	(10,237,528)
Total Non-current Assets	32,945,727	4,321,941	4,415,424	158,150	1,571,244	550,910	43,963,396	9,599,918
Total Assets	33,805,642	5,268,578	4,921,397	2,689,296	1,574,295	824,179	49,083,387	15,075,825
Liabilities:								
Current Liabilities:								
Accounts payable	80,950	63,773	14,028	9,211	-	13,212	181,174	948,437
Accrued liabilities	-	11,541	1,879	-	-	60,107	73,527	166,843
Due to other funds	-	18,725	6,922	18,086	-	-	43,733	6,733
Debt obligations, due within one year	-	40,363	23,649	-	19,096	12,172	95,280	-
Total Current Liabilities	80,950	134,402	46,478	27,297	19,096	85,491	393,714	1,122,013
Non-current Liabilities:								
Accrued compensated absences	67,849	-	8,974	18,933	-	-	95,756	95,053
Loans	-	82,727	54,999	-	411,841	1,197,799	1,747,366	-
Revenues bonds	-	1,617,149	1,131,051	-	-	-	2,748,200	-
Landfill closure and postclosure costs	-	-	-	1,090,847	-	-	1,090,847	-
Total Non-current Liabilities	67,849	1,699,876	1,195,024	1,109,780	411,841	1,197,799	5,682,169	95,053
Total Liabilities	148,799	1,834,278	1,241,502	1,137,077	430,937	1,283,290	6,075,883	1,217,066
Net Position:								
Net investment in capital assets	32,945,727	2,581,702	3,205,725	158,150	1,140,307	(659,061)	39,372,550	9,599,918
Restricted	16,869	85,125	3,830	883,062	-	170,543	1,159,429	610,208
Unrestricted	694,247	767,473	470,340	511,007	3,051	29,407	2,475,525	3,648,633
Total Net Position	33,656,843	3,434,300	3,679,895	1,552,219	1,143,358	(459,111)	43,007,504	13,858,759

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The accompanying notes are an integral part of these financial statements.

Gunnison County, Colorado
Proprietary Funds
Statement of Revenues, Expenses and Changes in Fund Net Position
For the Year Ended December 31, 2013

	Business-type Activities - Enterprise Funds							Governmental Activities - Internal Service Funds
	Airport Operations Fund	Gunnison County Sewer Fund	Gunnison County Water Fund	Landfill Operations Fund	Gunnison County Housing Auth. Assisted Lvg.	Gunnison County Housing Auth. Mtn. View	Totals	
Operating Revenues:								
Rent, net	844,663	-	-	-	36,488	222,141	1,103,292	1,789,582
Other	14,091	3,187	11,652	3,556	-	3,573	36,059	1,316,587
Charges and fees	275,218	476,926	337,588	778,508	-	-	1,868,240	3,309,076
Total Operating Revenues	1,133,972	480,113	349,240	782,064	36,488	225,714	3,007,591	6,415,245
Operating Expenses:								
Operations and maintenance	749,303	261,067	150,555	1,110,421	-	125,992	2,397,338	5,529,037
Administration	196,990	-	50,937	-	-	-	247,927	186,250
Depreciation and amortization	1,796,909	236,353	350,778	14,625	38,063	53,177	2,489,905	902,301
Total Operating Expenses	2,743,202	497,420	552,270	1,125,046	38,063	179,169	5,135,170	6,617,588
Operating Income (Loss)	(1,609,230)	(17,307)	(203,030)	(342,982)	(1,575)	46,545	(2,127,579)	(202,343)
Non-operating Revenues (Expenses):								
Gain (loss) on disposal of capital assets	200	-	-	-	-	-	200	4,500
Sales tax	24,117	-	-	-	-	-	24,117	-
Investment revenue	2,900	4,773	923	9,919	-	311	18,826	18,538
Interest expense	-	(75,806)	(10,227)	-	(18,499)	(33,215)	(137,747)	-
Total Non-operating Revenues (Expenses)	27,217	(71,033)	(9,304)	9,919	(18,499)	(32,904)	(94,604)	23,038
Income (Loss) Before Contributions and Transfers	(1,582,013)	(88,340)	(212,334)	(333,063)	(20,074)	13,641	(2,222,183)	(179,305)
Capital Contributions	158,190	-	-	-	-	-	158,190	-
Transfers In	-	-	21,755	-	-	-	21,755	948,221
Transfers (Out)	(71,424)	(68,255)	(25,744)	(108,204)	-	-	(273,627)	(184,980)
Change in Net Position	(1,495,247)	(156,595)	(216,323)	(441,267)	(20,074)	13,641	(2,315,865)	583,936
Total Net Position - Beginning of Year	35,152,090	3,590,895	3,896,218	1,993,486	1,163,432	(180,923)	45,615,198	13,274,823
Prior Period Adjustment - See Note V.H.	-	-	-	-	-	(291,829)	(291,829)	-
Total Net Position - Beginning of Year (Restated)	35,152,090	3,590,895	3,896,218	1,993,486	1,163,432	(472,752)	45,323,369	13,274,823
Total Net Position - End of Year	33,656,843	3,434,300	3,679,895	1,552,219	1,143,358	(459,111)	43,007,504	13,858,759

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The accompanying notes are an integral part of these financial statements.

Gunnison County, Colorado
Proprietary Funds
Statement of Cash Flows
For the Year Ended December 31, 2013

	Business-type Activities - Enterprise Funds							
	Airport Operations Fund	Gunnison County Sewer Fund	Gunnison County Water Fund	Landfill Operations Fund	Gunnison County Housing Auth. Assisted Lvg.	Gunnison County Housing Auth. Mtn. View	Totals	Governmental Activities - Internal Service Funds
Cash Flows from Operating Activities:								
Cash received from charges for services	1,152,925	613,044	295,416	778,823	36,488	247,541	3,124,237	4,217,938
Cash received from other sources	14,091	3,187	11,652	3,556	-	3,573	36,059	1,316,587
Cash payments to vendors for goods and services	(524,005)	(239,647)	(190,258)	(1,001,648)	-	(112,499)	(2,068,057)	(4,309,863)
Cash payments to employees for services	(460,728)	(31,287)	(83,325)	(7,550)	-	(761)	(583,651)	(750,467)
Net Cash Provided (Used) by Operating Activities	182,283	345,297	33,485	(226,819)	36,488	137,854	508,588	474,195
Cash Flows from Non-capital Financing Activities:								
Taxes	24,117	-	-	-	-	-	24,117	-
Transfers from (to) other funds, net	(107,643)	(59,056)	(7,977)	(111,998)	-	(10,736)	(297,410)	818,372
Net Cash Provided (Used) by Non-capital Financing Activities	(83,526)	(59,056)	(7,977)	(111,998)	-	(10,736)	(273,293)	818,372
Cash Flows from Capital and Related Financing Activities:								
Interest paid on debt	-	(75,806)	(10,227)	-	(18,499)	(33,215)	(137,747)	-
Principal paid on loans and leases	-	(39,082)	(1,141,287)	-	(17,989)	(23,680)	(1,222,038)	-
Proceeds from debt	-	-	1,478,032	-	-	-	1,478,032	-
Purchase of capital assets	(199,016)	(76,471)	(286,096)	-	-	(10,426)	(572,009)	(474,082)
Cash from sale of assets	200	-	-	-	-	-	200	9,488
Net Cash Provided (Used) by Capital and Related Financing Activities	(198,816)	(191,359)	40,422	-	(36,488)	(67,321)	(453,562)	(464,594)
Cash Flows from Investing Activities:								
Cash from investment income	2,900	4,773	923	9,916	-	311	18,823	18,537
Net Cash Provided (Used) by Investing Activities	2,900	4,773	923	9,916	-	311	18,823	18,537
Net Increase (Decrease) in Cash	(97,159)	99,655	66,853	(328,901)	-	60,108	(199,444)	846,510
Cash - Beginning of Year	821,016	876,128	285,085	2,794,460	3,051	227,038	5,006,778	2,815,694
Cash - End of Year	723,857	975,783	351,938	2,465,559	3,051	287,146	4,807,334	3,662,204
Reconciliation of Operating Income (Loss) to Net Cash Provided (used) by Operating Activities:								
Operating income (loss)	(1,609,230)	(17,307)	(203,030)	(342,982)	(1,575)	46,545	(2,127,579)	(202,343)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:								
Depreciation and amortization	1,796,909	236,353	350,778	14,625	38,063	53,177	2,489,905	902,301
Changes in assets and liabilities:								
(Increase) decrease in accounts receivable	33,044	136,118	(42,172)	315	-	25,400	152,705	(880,720)
(Increase) decrease in prepaid expenses	1,719	(263)	-	(493)	-	(10)	953	(2,856)
(Increase) decrease in inventory	-	-	-	-	-	-	-	170,163
Increase (decrease) in accounts payable	(28,326)	(9,229)	(29,646)	(14,769)	-	8,774	(73,196)	472,297
Increase (decrease) in accrued liabilities	(6,835)	(375)	(37,210)	124,035	-	3,968	83,583	5,624
Increase (decrease) in compensated absences	(4,998)	-	(5,235)	(7,550)	-	-	(17,783)	9,729
Net Cash Provided (Used) by Operating Activities	182,283	345,297	33,485	(226,819)	36,488	137,854	508,588	474,195
Non-Cash Investing, Capital, and Financing Activities:								
Contribution of fixed assets	158,190	-	-	-	-	-	158,190	-

The accompanying notes are an integral part of these financial statements.

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Gunnison County, Colorado
Agency Funds
Statement of Assets and Liabilities
December 31, 2013

	County Treasurer Agency Fund	Public Trustee Agency Fund
Assets:		
Cash	25,175,844	58,638
Less: cash held for County funds	(24,155,563)	-
Total Assets	1,020,281	58,638
Liabilities:		
Due to other governments and agencies	1,020,281	-
Held by Trustee	-	58,638
Total Liabilities	1,020,281	58,638

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The accompanying notes are an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

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Gunnison County
COLORADO

I. Summary of Significant Accounting Policies

Gunnison County (the "County") is a statutory county located in western Colorado. An elected Board of Commissioners is responsible for setting policy, appointing administrative personnel and the adoption of an annual budget in accordance with state statutes. The County's operations include sheriff protection, health and human services, culture and recreation, road maintenance, an airport, water and sewer services, a housing administration, and a landfill.

The County's financial statements are prepared in accordance with generally accepted accounting principles ("GAAP"). The Governmental Accounting Standards Board ("GASB") is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant accounting policies established by GAAP used by the County are discussed below.

A. Reporting Entity

The reporting entity consists of (a) the primary government; i.e., the County, and (b) organizations for which the County is financially accountable. The County is considered financially accountable for legally separate organizations if it is able to appoint a voting majority of an organization's governing body and is either able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the County. Consideration is also given to other organizations which are fiscally dependent; i.e., unable to adopt a budget, levy taxes, or issue debt without approval by the County. Organizations for which the nature and significance of their relationship with the County are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete are also included in the reporting entity.

The financial statements of component units have been included in the financial reporting entity either as blended or discretely presented component units.

1. Blended Component Units

The Gunnison County Housing Authority ("Authority") - Gunnison Senior Housing Project, an entity legally separate from the County, is governed by the Gunnison County Board of County Commissioners. For financial reporting purposes, the Authority is reported as if it was part of the County's operations because its purpose is to finance and provide low income senior housing to the citizens of the County.

In 2003, the County's electorate approved the creation of the Gunnison River Valley Local Marketing District ("District"). The District was created for the organization, promotion, marketing, and management of public events; activities in support of business recruitment, management and development; and coordinating tourism promotion activities within the District's boundaries. The County's Board of County Commissioners sits as *ex officio* as the District's Board. For financial reporting purposes, the District is reported as a blended component unit and resembles the reporting for other special revenue funds.

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I. Summary of Significant Accounting Policies (continued)

A. Reporting Entity (continued)

2. Discretely Presented Component Unit

The component unit columns in the combined financial statements include the financial data of the County's discretely presented component unit. This unit is reported in a separate column to emphasize that it is legally separate from the County.

The Gunnison Valley Hospital and Health Care Center - The Gunnison Valley Hospital and Health Care Center Board is appointed by the County, is fiscally dependent on the County because they cannot issue debt without the approval of the County, and its operational and capital budgets and its annual property tax mill levy are approved by the County. The completed financial statements of the Hospital and Health Care Center can be obtained directly from their administrative office at:

Administrative Office
Gunnison Valley Hospital
214 East Denver Avenue
Gunnison, CO 81230

3. Intergovernmental Agreements

The County has entered into various governmental agreements that do not meet the criteria for inclusion in these financial statements as component units or as joint ventures.

The County receives funding from local, state, and federal government sources and must comply with all requirements of these funding sources. However, the County is not included in any other governmental reporting entity.

B. Government-wide and Fund Financial Statements

The County's basic financial statements include both government-wide (financial activities of the overall County, except for fiduciary activities) and fund financial statements (reporting the County's individual funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. Governmental activities are generally financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or part by fees charged to external parties.

1. Government-wide Financial Statements

In the government-wide Statement of Net Position, both the governmental and business-type activities columns are (a) presented on a consolidated basis by column, and (b) reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The primary government is reported separately from certain legally separate component units for which the primary government is financially accountable. The County's net position is reported in three parts – net investment in capital assets; restricted net position; and unrestricted net position.

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I. Summary of Significant Accounting Policies (continued)

B. Government-wide and Fund Financial Statements (continued)

1. Government-wide Financial Statements (continued)

The government-wide Statement of Activities reports both the gross and net cost of each of the County's non-fiduciary functions (e.g., public safety, culture and recreation, etc.) and business-type activities (e.g., water, sewer, landfill, etc.). The functions are also supported by general government revenues (property and sales taxes, intergovernmental revenue, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function or business-type activity. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

The government-wide focus is on the sustainability of the County as an entity and the change in the County's net position resulting from the current year's activities.

2. Fund Financial Statements

The financial transactions of the County are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. The fund focus is on current available resources and budget compliance.

The County reports the following major governmental funds:

The *General Fund* is the County's primary operating fund. It accounts for all financial resources of the County, except those required to be accounted for in another fund.

The *Road and Bridge Fund* accounts for the County's share of state revenues that are legally restricted for the maintenance of highways and roads within the County's boundaries and also accounts for other revenues restricted for highway and road purposes.

The *Human Services Fund* administers the County's state and federal revenues that are restricted for the provision of social services to the residents of the County.

The *Sales Tax Capital Improvement Fund* accounts for the collection of sales tax restricted for capital expenditures.

The *Airport Construction Fund* accounts for grants and construction expenditures relating to the County's airport. The constructed assets are contributed to the Airport Operations Fund.

The *Capital Expenditures Fund* accounts for the accumulation of resources for future capital expenditures.

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I. Summary of Significant Accounting Policies (continued)

B. Government-wide and Fund Financial Statements (continued)

2. Fund Financial Statements (continued)

The County reports the following major proprietary funds:

The *Airport Operations Fund* accounts for the operations of the Gunnison County Airport.

The *Gunnison County Sewer Fund* is used to account for the operations of sewer facilities operated by the County in unincorporated areas of the County.

The *Gunnison County Water Fund* is used to account for the operations of water system facilities operated by the County in unincorporated areas of the County.

The *Landfill Operations Fund* accounts for the operations of the County's landfill and recycling program.

The *Gunnison County Housing Authority* is used to account for the activities of the Authority, a blended component unit of the County. Two funds are included which account for operations of an assisted living center and an elderly housing complex.

Additionally, the County reports the following fund types:

Internal services funds account for the rental of motor vehicles and heavy equipment, the usage of gravel and other construction materials, the rental of computer equipment, and to account for health insurance and unemployment claims. These services are provided to other County funds and departments on a cost reimbursement basis.

Agency funds are used to account for the collection and distribution of property and other taxes between the County's funds and other governments and agencies. Agency funds are also used to account for the activities of the County Trustee and segregate these activities into a separate fund as required by State of Colorado statutes.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Measurement focus refers to whether financial statements measure changes in current resources only (current financial focus) or changes in both current and long-term resources (long-term economic focus). Basis of accounting refers to the point at which revenues, expenditures, or expenses are recognized in the accounts and reported in the financial statements. Financial statement presentation refers to classification of revenues by source and expenses by function.

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I. Summary of Significant Accounting Policies (continued)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (continued)

1. Long-term Economic Focus and Accrual Basis

Both the governmental and business-type activities in the government-wide financial statements and the proprietary and fiduciary financial statements use the long-term economic focus and are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred, regardless of the timing of the related cash flows. On the accrual basis, revenue from property taxes is recognized in the year for which taxes are levied. Revenue from grants and donations is recognized in the year in which all eligibility requirements have been satisfied.

2. Current Financial Focus and Modified Accrual Basis

The governmental fund financial statements use the current financial focus and are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. The County considered all revenues reported in the governmental funds to be available if they are collected within sixty days after year-end. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general ling-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of long-term liabilities and acquisitions under capital leases are reported as other financing sources.

3. Financial Statement Presentation

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the County's enterprise fund are charges to customers for sales. Operating expenses for the enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenue and expense notes meeting this definition are reported as non-operating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, then unrestricted resources as they are needed.

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I. Summary of Significant Accounting Policies (continued)

D. Financial Statement Accounts

1. Cash and Cash Equivalents

Cash and cash equivalents are defined as deposits that can be withdrawn at any time without notice or penalty and investments with maturities of three months or less.

Restricted cash and cash equivalents represent amounts restricted by bond indentures and other binding commitments.

2. Investments

Investments are stated at fair value.

3. Receivables

Receivables are reported net of an allowance for uncollectible accounts, whenever applicable.

4. Property Taxes

Property taxes are assessed in one year as a lien on the property, but not collected by the governmental unit until the subsequent year. In accordance with generally accepted accounting principles, the assessed but uncollected property taxes have been recorded as a receivable and as deferred revenue on the fund financial statements.

5. Interfund Receivables and Payables

Balances at year-end between funds are reported as “due to / from other funds” in the fund financial statements. Any residual balances not eliminated between the governmental and business-type activities are reported as “internal balances” in the government-wide financial statements.

6. Inventories

Inventories are carried at cost. The Internal Service Fund I inventory includes gravel held for County use. The cost value of such inventory is recorded as an expenditure at the time of use.

7. Prepaid Expenses

Payments made to vendors for services that will benefit periods beyond December 31, 2013 are recorded as prepaid expenses.

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I. Summary of Significant Accounting Policies (continued)

D. Financial Statement Accounts (continued)

8. Capital Assets

Capital assets, which include land, buildings, building improvements, equipment, and vehicles, are reported in the applicable governmental columns in the government-wide financial statements. Capital assets are defined by the County as assets with an initial cost of $4,000 or more and an estimated useful life in excess of two years for all assets other than equipment. Such assets are recorded at historical cost. Donated capital assets are recorded at estimated fair value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable.

Capital outlay for projects is capitalized as projects are constructed. Interest incurred during the construction phase is capitalized as part of the value of the assets constructed in the business-type activities.

Infrastructure, buildings, and equipment are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Infrastructure	15-30
Buildings and improvements	15-40
Machinery and equipment	3-10
Vehicles	10

The book value of property and equipment transferred to the City of Gunnison for additional capacity at their wastewater treatment facility are being amortized on the straight-line method over a period of twenty-five (25) years. The term of the agreement is indefinite and does not include treatment costs.

9. Deferred Property Taxes

Property taxes in the State of Colorado are assessed in one year as a lien on the property, but not collected by the governmental units until the subsequent year. In accordance with generally accepted accounting principles, the assessed but uncollected property taxes have been recorded in the accompanying financial statements as a receivable and as deferred inflow of resources.

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I. Summary of Significant Accounting Policies (continued)

D. Financial Statement Accounts (continued)

10. Compensated Absences

Vested or accumulated vacation leave that is expected to be liquidated with expendable available financial resources is reported as expenditure and a fund liability of the governmental fund that will pay it. Amounts of vested or accumulated vacation leave that are not expected to be liquidated with expendable available financial resources are reported in the governmental activities column in the government-wide financial statements. Vested or accumulated vacation leave of the proprietary fund type is recorded as an expense and liability of that fund as the benefits accrue to employees. In accordance with the provisions of GASB No. 16, *Accounting for Compensated Absences,* no liability is recorded for non-vesting accumulating rights to receive sick pay benefits.

11. Recognition of Grant Revenue

Where the expenditure of funds is the prime factor for determining eligibility for grant funds, revenue is recognized at the time the expenditure is incurred.

12. Bond Premiums, Discounts and Issuance Costs

On the government-wide Statement of Net Position and the proprietary fund type Statement of Net Position, bond premiums and discounts are netted with the related bond. On the government-wide and proprietary fund type Statement of Activities, bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. At the governmental fund reporting level, bond premiums and discounts are reported as other financing sources and uses, separately from the face amount of the bonds issued. Bond issuance costs are reported as expenditures.

13. Fund Equity

Fund equity at the governmental fund financial reporting level is classified as "fund balance." Fund equity for all other reporting is classified as "net position."

Fund Balance – Generally, fund balance represents the difference between the current assets and current liabilities. Governmental accounting standards establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. Fund balance classifications, include Non-spendable, Restricted, Committed, Assigned, and Unassigned. These classifications reflect not only the nature of funds, but also provide clarity to the level of restriction placed upon fund balance. Fund Balance can have different levels of restraint, such as external versus internal compliance requirements. Unassigned fund balance is a residual classification within the general fund. The general fund should be the only fund that reports a positive unassigned balance. In all other funds, unassigned is limited to negative residual fund balance. For further details of the various fund balance classifications refer to Note IV.O.

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I. Summary of Significant Accounting Policies (continued)

D. Financial Statement Accounts (continued)

13. Fund Equity (continued)

Net Position - Net position represent the difference between assets, deferred outflows of resources, liabilities, and deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. This net position amount also is adjusted by any bond issuance deferred amounts. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. All other net position is reported as unrestricted.

The County applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

14. Deferred Outflows and Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then. The County has one item that qualifies for reporting in this category. It is the deferred financing costs reported in the Statement of Net Position. A deferred financing costs results from debt and mortgage issuance costs. These amounts are deferred and amortized over the life of the debt.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County has only one item that qualifies for reporting in this category. Accordingly, unavailable property tax revenue, is deferred and recognized as an inflow of resources in the period that the amounts become available and earned.

15. Interfund Transactions

Quasi-external (i.e., internal service fund) transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers.

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I. Summary of Significant Accounting Policies (continued)

E. Significant Accounting Policies

1. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from those estimates.

2. Legal Provisions and Authorization of Deposits

The County is governed by state statutes as to the type of institutions and investments with which it may deposit funds and transact business.

Cash and investments include amounts in demand deposits as well as investments. The funds of the County are invested by the County Treasurer. The County Treasurer accounts for the transactions of each individual fund of the County and maintains a separate ledger for each County fund and all other governments and agencies within the County for which the County Treasurer collects and disburses funds.

The cash and investments of the County's component units are invested by each entity within the guidelines set forth by their respective Boards of Trustees.

II. Reconciliation of Government-wide and Fund Financial Statements

A. Explanation of Certain Differences between the Governmental Fund Balance Sheet and the Government-wide Statement of Net Position

The governmental fund Balance Sheet includes a reconciliation (Page C4) between *fund balance – total governmental funds* and *net position of governmental activities* as reported in the government-wide Statement of Net Position. One element of that reconciliation explains that “Internal Service Funds are used by management to charge the costs of the motor pool, equipment costs and health insurance to individual funds. The assets and liabilities of the internal service funds are included in the governmental activities in the Statement of Net Position. This represents the net equity of the internal service funds less the fixed assets.”

B. Explanation of Certain Differences between the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balance and the Government-wide Statement of Activities

The governmental fund Statement of Revenues, Expenditures and Changes in Fund Balance includes a reconciliation (Page C6) between *Net Changes in Fund Balances* and *Changes in Net Position* as reported in the government-wide Statement of Activities. One element of that reconciliation explains that “Internal Service Funds are used by management to charge the costs of the motor pool, equipment costs and health insurance to individual funds. The revenues and expenditures of the internal service funds are included in the governmental activities in the Statement of Activities. This represents the net revenues and expenditures of the internal service funds less the depreciation on fixed assets.”

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III. Stewardship, Compliance, and Accountability

A. Legal Compliance - Budgets

Property taxes become a lien on the property as of January 1 of the year assessed. Taxes levied in one year are collected in the succeeding year. Thus taxes certified in 2012 were collected in 2013 and taxes certified in 2013 will be collected in 2014. Taxes are due on January 1st in the year of collection; however, they may be paid in either one installment (no later than April 30th) or two equal installments (not later than February 28 and June 15th) without interest or penalty. Taxes which are not paid within the prescribed time bear interest at the rate of one percent (1%) per month until paid. Unpaid amounts and the accrued interest thereon become delinquent on June 15th. Expenditures may not legally exceed budgeted appropriations at the fund level. During the year, supplementary appropriations were necessary. Appropriations lapse at the end of each calendar year.

B. Budgetary Information

As required by Colorado statutes, the County follows these procedures in establishing the budgetary data reflected in the financial statements.

(1) For the 2013 budget, prior to August 25, 2012, the County Assessor sent to the County Finance Director a certified assessed valuation of all taxable property within the County.

(2) Based on this assessed valuation, the County Finance Director computed a rate of levy which when levied would raise the amounts, along with other revenues, necessary to fund the County operating requirements. The levy rate and proposed budget was submitted to the County Commissioners before December 22.

(3) Notice was published within ten (10) days which contained: availability of proposed budget for public inspection, date and time of budget adoption meeting, and that any County taxpayer may file objection prior to adoption of the budget.

(4) The final budget and appropriating resolution was adopted prior to December 31.

(5) After adoption of the budget resolution, the County may make by resolution the following changes: (i) supplemental appropriations to the extent of revenues in excess of the estimated in the budget; (ii) emergency appropriations; and (iii) reduction of appropriations for which originally estimated revenues are insufficient. At any time during the year, the County may, by resolution, transfer part of all of any unexpended funds from one department or fund to another.

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III. Stewardship, Compliance, and Accountability (continued)

D. TABOR Amendment – Revenue and Spending Limitation Amendment

In November 1992, Colorado voters amended Article X of the Colorado Constitution by adding Section 20; commonly known as the Taxpayer's Bill of Rights ("TABOR"). TABOR contains revenue, spending, tax and debt limitations which apply to the State of Colorado and local governments. TABOR requires, with certain exceptions, advance voter approval for any new tax, tax rate increase, mill levy above that for the prior year, extension of any expiring tax, or tax policy change directly causing a net tax revenue gain to any local government.

Except for refinancing bonded debt at a lower interest rate or adding new employees to existing pension plans, TABOR requires advance voter approval for the creation of any multiple fiscal year debt or other financial obligation unless adequate present cash reserves are pledged irrevocably and held for payments in all future fiscal years.

TABOR also requires local governments to establish emergency reserves to be used for declared emergencies only. Emergencies, as defined by TABOR, exclude economic conditions, revenue shortfalls, or salary or fringe benefit increases. These reserves are required to be 3% or more of fiscal year spending (excluding bonded debt service). The County has reserved year-end fund balance in the General Fund for emergencies as required under Tabor in the amount of $854,000.

The initial base for local government spending and revenue limits is December 31, 1992. Future spending and revenue limits are determined based on the prior year's fiscal year spending adjusted for inflation in the prior calendar year plus annual local growth. Fiscal year spending is generally defined as expenditures and reserve increases with certain exceptions. Revenue, if any, in excess of the fiscal year spending limit must be refunded in the next fiscal year unless voters approve retention of such revenue.

On November 5, 1996, the County's electorate approved the following ballot question:

> *"May Gunnison County, without any increase in County rates and without exceeding the property tax revenue limit, keep and spend for County services and capital expenditures, in 1996 and each year thereafter, any excess revenues from grants, fees, interest, sales tax, and all other revenue sources without being limited by the restrictions of Article X, Section 20 of the Colorado Constitution (commonly known as Amendment 1 and/or the "Tabor Amendment")".*

On November 7, 2000 the County's electorate approved the following ballot question:

> *"May Gunnison County be authorized to collect, keep, and expend all revenues it receives from its property tax levy in 2001 and each year thereafter as a revenue change pursuant to Article X, Section 20 of the Colorado Constitution provided that nothing in this question authorizes the County to increase its permanent rate of levy without prior voter approval".*

The County's management believes it is in compliance with the financial provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of its provisions, including the interpretation of how to calculate fiscal year spending limits, will require judicial interpretation

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III. Stewardship, Compliance, and Accountability (continued)

E. Deficit Net Position

The Gunnison County Housing Authority Mountain View Fund had a deficit of net position at December 31, 2013 of $459,111.

IV. Detailed Notes on All Funds

A. Deposits and Investments

The County' deposits are entirely covered by federal depository insurance ("FDIC") or by collateral held under Colorado's Public Deposit Protection Act ("PDPA"). The FDIC insures the first $250,000 of the County's deposits at each financial institution. Deposit balances over $250,000 are collateralized as required by PDPA. The County had the following investments and maturities:

	Standard & Poors Rating	Carrying Amounts	Less than one year	Less than five years
Deposits:				
Cash on hand	*Not Rated*	162,947	162,947	-
Checking	*Not Rated*	3,184,794	3,184,794	-
Savings	*Not Rated*	1,915,389	1,915,389	-
CDS	*Not Rated*	6,527,215	1,949,675	4,577,540
Investments:				
Pools	*AAAm*	12,033,757	12,033,757	-
Agencies - FHLB	*AAA*	1,606,933	-	1,606,933
Deposits held by Trustee	*Not Rated*	11,330,587	11,330,587	-
Total		$ 36,761,622	30,577,149	6,184,473
Reconciliation to Statement of Net Position:				
Cash and cash equivalents - Unrestricted		16,943,969		
Cash and cash equivalents - Restricted		18,738,734		
Fiduciary Funds		1,078,919		
Total		$ 36,761,622		

The Investment Pool represents investments in COLOTRUST and CSAFE which is a 2a7-like pool. The fair value of the pool is determined by the pool's share price. The County has no regulatory oversight for the pool.

Interest Rate Risk. As a means of limiting its exposure to interest rate risk, the County diversifies its investments by security type and institution, and limits holdings in any one type of investment with any one issuer. The County coordinates its investment maturities to closely match cash flow needs and restricts the maximum investment term to less than five years from the purchase date. As a result of the limited length of maturities the County has limited its interest rate risk.

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IV. Detailed Notes on All Funds (continued)

A. Deposits and Investments (continued)

Credit Risk. State law and County policy limit investments to those authorized by State statutes including U.S. Agencies and 2a7-like pools. The County's general investment policy is to apply the prudent-person rule: Investments are made as a prudent person would be expected to act, with discretion and intelligence, to seek reasonable income, preserve capital, and, in general, avoid speculative investments.

Concentration of Credit Risk. The County diversifies its investments by security type and institution. Investments may only be made in those financial institutions which are insured or issued by the Federal Deposit Insurance Corporation, the Federal Home Mortgage Association, the Federal Savings and Loan Insurance Corporation, Congressionally authorized mortgage lenders and investments that are federally guaranteed. Financial institutions holding County funds must provide the County a copy of the certificate from the Banking Authority that states that the institution is an eligible public depository.

Restricted Cash and Investments. At December 31, 2013, the County had restricted the following cash and investments:

Purpose	Total	Fund
Water Resource Protection	$ 86,675	General
Workforce Impact Fees	611,639	General
Courthouse Renovation	1,779,633	General
Gunnison Valley Hospital Guarantee	750,000	General
Safety Center	1,582,538	Debt Service
2010 Certificates of Participation - Interest Subsidy	150,691	Debt Service
2010 Certificates of Participation - Bond Reserve Fund	1,343,978	Capital Expend.
2013 Certificates of Participation - Unspent Bond Proceeds	9,830,975	Capital Expend.
2013 Certificates of Participation - Issuance Expense Fund	4,943	Capital Expend.
2005 & 2006 N. Gunnison Revenue Bonds - Bond Reserve Funds	83,180	Sewer
2013 Antelope Hills - Bond Reserve Fund	3,568	Water
Landfill Closure and Post-closure	2,340,641	Solid Waste
Replacement Reserve	170,273	Mountain View

B. Component Unit - Gunnison Valley Hospital and Gunnison Health Care Center

1. As of December 31, 2013, the carrying value of Gunnison Valley Hospital and Gunnison Health Care Center's bank balances of $8,401,136 were exposed to custodial risk and was collateralized by securities held by the pledging financial institution in other than the entity's name.

2. As of December 31, 2013, the amount of the Gunnison Valley Hospital and Gunnison Health Care Center's carrying amount of investments was $18,303,399. The investments consisted of mutual funds, money markets, and real estate.

IV. Detailed Notes on All Funds (continued)

C. Receivables

Receivables as of year-end for the County's funds are as follows:

	General	Road & Bridge	Human Services	Sales Tax Capital Improvement	Airport Construction	Capital Expenditures	Non-major Governmental	Total
Receivables:								
Accounts	6,781,649	686,318	398,712	379,725	13,473	44,857	310,763	8,615,497
Intergovernmental	9,035	-	-	-	-	-	(7,041)	1,994
Total receivables	6,790,684	686,318	398,712	379,725	13,473	44,857	303,722	8,617,491

	Airport Operations	Sewer	Water	Landfill Operations	Assisted Living	Mountain View	Internal Service Funds	Total
Receivables:								
Accounts	98,348	(35,017)	85,727	64,365	-	379	1,026,876	1,240,678
Other	-	5,608	68,046	-	-	-	-	73,654
Intergovernmental	-	-	-	-	-	(25,579)	-	(25,579)
Allowance for doubtful accts	-	-	-	(315)	-	-	-	(315)
Total receivables	98,348	(29,409)	153,773	64,050	-	(25,200)	1,026,876	1,288,438

Governmental funds report *unavailable property tax revenue* in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Deferred inflows of resources include property taxes levied in 2013 but not available until 2014. Governments also defer revenue recognition in connection with funds that have been received, but not yet earned.

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IV. Detailed Notes on All Funds (continued)

D. Capital Assets

Capital asset activity for the year ended December 31, 2013 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	$ 1,333,832	-	-	1,333,832
Construction in progress	735,667	9,016,625	(236,093)	9,516,199
Total capital assets, not being depreciated	2,069,499	9,016,625	(236,093)	10,850,031
Capital assets, being depreciated:				
Infrastructure	14,285,385	509,690	-	14,795,075
Improvements	1,144,501	34,343	-	1,178,844
Buildings	32,907,926	50,278	-	32,958,204
Equipment	13,953,522	498,249	(249,488)	14,202,283
Total capital assets being depreciated	62,291,334	1,092,560	(249,488)	63,134,406
Less accumulated depreciation for:				
Infrastructure	(10,277,292)	(644,918)	-	(10,922,210)
Improvements	(412,927)	(71,492)	-	(484,419)
Buildings	(6,459,450)	(833,187)	-	(7,292,637)
Equipment	(10,095,305)	(876,268)	244,499	(10,727,074)
Total accumulated depreciation	(27,244,974)	(2,425,865)	244,499	(29,426,340)
Total capital assets being depreciated, net	35,046,360	(1,333,305)	(4,989)	33,708,066
Governmental activities capital assets, net	$ 37,115,859	7,683,320	(241,082)	44,558,097
Business-type activities:				
Capital assets, not being depreciated:				
Land	$ 11,303,849	-	-	11,303,849
Construction in progress	1,049,251	221,145	(1,270,396)	-
Total capital assets not being depreciated	12,353,100	221,145	(1,270,396)	11,303,849
Capital assets, being depreciated:				
Improvements	40,013,681	146,763	(11,469,782)	28,690,662
Buildings	10,261,852	196,687	(13,616)	10,444,923
Utility treatment transmission systems	15,334,663	1,335,344	-	16,670,007
Equipment	3,929,295	100,653	(1,128)	4,028,820
Total capital assets being depreciated	69,539,491	1,779,447	(11,484,526)	59,834,412
Less accumulated depreciation for:				
Improvements	(21,769,801)	(1,431,178)	11,469,782	(11,731,197)
Buildings	(4,153,894)	(296,507)	13,616	(4,436,785)
Utility treatment transmission systems	(7,727,284)	(562,701)	-	(8,289,985)
Equipment	(2,518,509)	(199,518)	1,128	(2,716,899)
Total accumulated depreciation	(36,169,488)	(2,489,904)	11,484,526	(27,174,866)
Total capital assets being depreciated, net	33,370,003	(710,457)	-	32,659,546
Business-type activities capital assets, net	$ 45,723,103	(489,312)	(1,270,396)	43,963,395

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IV. Detailed Notes on All Funds (continued)

D. Capital Assets (continued)

The County had the following depreciation expense for the following functions:

Governmental Activities:	
General government	$ 555,750
Judicial	1,184
Public safety	392,266
Health and welfare	83,070
Auxiliary services	0
Culture and recreation	70,185
Public works	1,323,410
Total Governmental Activities	$ 2,425,865
Business-type Activities:	
Airport	$ 1,796,909
Sewer	236,353
Water	350,778
Landfill	14,625
Housing	91,239
Total Business-type Activities	$ 2,489,904

E. Component Unit - Gunnison Valley Hospital and Health Care Center - Capital Assets

Capital assets consist of the following at December 31, 2013:

	Beginning Balance	Additions	Deletions	Ending Balance
Land and improvements	$ 911,194	-	-	911,194
Building leasehold improvements	23,308,514	63,312	-	23,371,826
Equipment	11,807,896	662,849	(23,000)	12,447,745
Construction in progress	27,066	373,449	(378,385)	22,130
Total property and equipment	36,054,670	1,099,610	(401,385)	36,752,895
Less: accumulated depreciation	(16,411,539)	(1,658,087)	4,600	(18,065,026)
Capital assets, net	$ 19,643,131	(558,477)	(396,785)	18,687,869

Capital assets are depreciated on a straight-line basis over the estimated useful lives of each asset. Assets under capital lease obligations are depreciated over the shorter of the lease term or their respective estimated useful lives.

IV. Detailed Notes on All Funds (continued)

F. Interfund Transfers, Receivables, and Payables (continued)

Interfund balances at December 31, 2013, consisted of the following amounts and represent charges for services or reimbursable expenses. These remaining balances resulted from the time lag between the dates that (1) interfund goods or services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting period, and (3) payments between funds are made. The County expects to repay all interfund balances within one year.

Transfers are used to 1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, 2) move unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations, and, 3) provide additional resources for current operations or debt service.

The following represents interfund balances and transfers at December 31, 2013. All amounts presented below are owed to / received from or transferred through the County Treasurer Agency Fund.

	Due from County	Due to County	Transfer in	Transfer (out)
General Fund	-	222,647	2,580,561	(2,719,324)
Road and Bridge Fund	-	129,953	218,592	(1,075,217)
Human Services Fund	-	16,485	-	(133,276)
Capital improvements Fund	481,119	-	-	(1,631,459)
Airport Construction	-	-	-	26,316
Capital Expenditures	199,599	-	695,302	(580,717)
Non-major Governmental Funds	48,407	518,087	2,333,366	(225,513)
Airport Operations	20,841	-	-	(71,424)
Sewer Fund	-	18,725	-	(68,255)
Water Fund	-	6,922	21,755	(25,744)
Landfill operations	-	18,086	-	(108,204)
Mountain View	11,053	-	-	-
Internal Service Funds	176,619	6,733	948,221	(184,980)
	937,638	937,638	6,797,797	(6,797,797)

G. Operating Leases

The government is committed under various leases for buildings, office space and data processing equipment. These leases are considered, for accounting purposes, to be operating leases.

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IV. Detailed Notes on All Funds (continued)

H. Long-term Liabilities – Governmental Activities

1. Colorado SIB Loans - 2004

In 2004, the County signed two promissory notes totaling $572,064 with the Colorado State Investment Bank for use in transportation projects. Principal and interest for the first note in the amount of $60,995 is due annually through January 12, 2014, while the second note was repaid during 2009. Both notes have a stated interest rate of 4%.

2. Rock Creek Lease

On August 10, 2001, the County signed an agreement for the purchase of property known as Rock Creek. The agreement financed $494,900, and required annual payments of $38,392, and provided for interest at 4.7%. The agreement maturity date was July 1, 2021.

During the year ended December 31, 2003, the County refinanced this agreement, replacing the property as collateral with three motor graders. The new terms required semi-annual payments of $29,532 on February 25 and August 25 at an annual interest rate of 4.0%. Payments began August 25, 2003 and the final payment was on February 25, 2013.

3. Advocacy Center Lease

On December 19, 2005, the County signed an agreement for the purchase of property to be used for a Community Advocacy Center. The agreement financed $390,775, and requires annual payments of $48,780, and provides for interest at 4.250%. The agreement maturity date is December 19, 2015.

4. Pitchfork Property Loan

On December 28, 2001 the County signed an agreement with Colorado Housing Authority for the purchase of land to be resold to local families to provide affordable housing. The original agreement financed $63,173, with repayment to occur by December 31, 2005. On December 1, 2005, there was a modification to this agreement which refinanced $30,665. New terms require monthly payments of $211, and provides for interest at 4.00%. The agreement maturity date is July 30, 2023.

5. Airport Construction Loan

On October 20, 2009 the County signed a loan agreement for a Broom Truck. The loan totaled $188,238 and requires annual payments each July of $23,627. The loan carries and interest rate of 4.60% and matures on July 15, 2019.

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IV. Detailed Notes on All Funds (continued)

H. Long-term Liabilities – Governmental Activities (continued)

6. 2010 Tax-Exempt Certificates of Participation (Series A)

On September 2, 2010 the County issued $730,000 in Certificates of Participation with interest ranging from 2.00% to 3.00%. The net proceeds of $731,508 (after payment of $10,463 in underwriting fees and other issuance costs, and a premium of $11,972) were deposited with a Trustee to provide for construction of a public safety center and public works facility. The Certificates of Participation are paid through a lease purchase agreement with the County. The lease is subject to annual appropriation. The issue requires semi-annual payment on January 1st and July 1st from $167,500 to $197,500 until December 1, 2012. The Certificate of Participation was repaid during 2012.

7. 2010 Taxable Certificates of Participation (Series B)

On September 2, 2010 the County issued $17,270,000 in Certificates of Participation with interest ranging from 2.25% to 6.125%. The net proceeds of $17,022,464 (after payment of $247,536 in underwriting fees and other issuance costs) were deposited with a Trustee to provide for construction of a public safety center and public works facility. The Certificates of Participation are paid through a lease purchase agreement with the County. The lease is subject to annual appropriation. The issue requires semi-annual payment on January 1st and July 1st from $202,500 to $487,500 until December 1, 2040.

These certificates are Qualified Build America Bonds, which indicates the certificates are not tax-exempt. Under the Build America Program, the County may apply for interest cost subsidies from the federal government. Such subsidies will be used by the County to pay debt service on these certificates. During the fiscal year ended December 31, 2013, the County recognized revenue of $313,669 related to this subsidy.

These certificates are secured by a Reserve Fund. In accordance with certificates indentures, the County has restricted cash and net position equal to $1,343,978 at December 31, 2013.

These 2010B certificates are subject to redemption prior to maturity at the option of the County at par plus accrued interest without a redemption premium.

8. 2010 Energy Improvement Lease

On August 1, 2010, the County entered into lease purchase agreements for the purchase and construction of various building improvements throughout the County. The purchased assets included heating, lighting, and air-conditioning controls at a cost of $1,168,919. The lease agreements provide for a reduction of payments if certain budgeted energy savings are not realized. A portion of the debt has been recorded on the Airport Operations Fund and the Housing Authority Fund with the remaining amount included in the Government-wide Statement of Net Position – Governmental Activities column. The lease purchase has a ten year term. Semi-annual payments are required on February 1 and August 1 of each year through August 1, 2020.

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IV. Detailed Notes on All Funds (continued)

H. Long-term Liabilities – Governmental Activities (continued)

9. 1416 Rock Creek Loan

In 2010 the County signed a loan for the 1416 Rock Creek Property. The loan totaled $104,000 and requires monthly payments of $612 and a final estimated payment of $92,819. The loan carries an interest rate of 5.00% and matures on October 1, 2015.

10. 1420 Rock Creek Loan

In 2011 the County signed a loan for the 1420 Rock Creek Property. The loan totaled $85,000 and requires monthly payments of $552 and a final estimated payment of $76,843. The loan carries an interest rate of 5.99% and matures on April 15, 2016.

11. Stallion Park Loan

In 2010 the County signed a loan for the Stallion Park Property. The loan totaled $94,400 and requires monthly payments of $607 and a final estimated payment of $85,517. The loan carries an interest rate of 5.90% and matures on January 15, 2015.

12. Rapid Response Vehicle

In March 2013, the County entered into loan agreement with the Colorado State Infrastructure Bank (SIB) for $354,200 to fund the purchase of a rapid response emergency vehicle. The loan totaled $354,200 and requires quarterly payments of $9,793. The loan carries an interest rate of 2.00% and matures on March 8, 2023.

13. 2013 Certificates of Participation

On December 30, 2013 the County issued $9,710,000 in Certificates of Participation with interest ranging from 2.00% to 5.25%. The net proceeds of $9,999,100 (which include an original issue premium of $289,100 and after payment of $168,125 in underwriting fees and other issuance costs) were deposited with a Trustee to be used to construct, renovate and equip a new, state-of-the art County courthouse and administrative office building, and landscaping and parking development. The Certificates of Participation are paid through a lease purchase agreement with the County. The lease is subject to annual appropriation. The issue requires semi-annual payment on June 1st and December 1st from $255,000 to $635,000 until December 1, 2038.

The certificates maturing on and after December 1, 2014, are subject to optional redemption prior to maturity at the option of the County, on December 1, 2013, at par plus accrued interest without a redemption premium.

The certificates maturing on December 1, 2038 are subject to mandatory sinking fund redemption at par, plus accrued interest to redemption date.

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IV. Detailed Notes on All Funds (continued)

I. Long-term Liabilities – Business-type Activities

1. Impact Assistance Loan Funds - Somerset

During the year ended December 31, 2003, the County received $100,000 from the Colorado Department of Local Affairs for the assistance financing the installation of a new water treatment system for the community of Somerset, Colorado. The loan is payable in 20 annual installments of $8,024, including interest at the rate of 5% per annum, beginning September 1, 2004.

The County levies the necessary charges, fees and assessments to raise revenues for repayment of the loan as well as for operational and maintenance costs of the wastewater treatment facilities.

2. Antelope Hills Water Line Extension Loan

In 2012, the County received interim financing to cover the costs of the Antelope Hills water line extension project. Funds received during the year totaled $808,147 and are due in full when the County receives additional funding for the project from the USDA. The loan carries an interest rate of 2.5% and has no set maturity. During 2013, the County drew down additional funds totaling $283,654 before the interim loan was repaid in full from the proceeds of the permanent financing – the Antelope Hills Water Taxable Revenue Bonds (2013).

3. 2013 Antelope Hills Water Taxable Revenue Bonds (U.S.D.A)

The County issued $1,154,230 of Taxable Revenue Bonds, on September 13, 2013, bearing interest at 2.125%. The bonds require quarterly payments of $10,735 each March 18th, June 18th, September 18th, and December 18th. The bonds are subject to optional redemption. The bonds mature in 2053.

As special, limited obligations of the County, principal and interest on the bonds are payable solely from Net Pledge Revenues; as defined in the bond documents. Such net revenue include income from operation and use of the system and other legally available revenue after the payment of operation and maintenance expense of the system.

The County is also required to establish a debt reserve account (with the County Treasurer) by depositing $567 each month for the life of bond. The reserve account totaled $3,568 at December 31, 2013.

The bond documents include a Rate Maintenance Covenant, which requires the County to establish service rates at a level sufficient to cover operating and maintenance expense, as well as 100% of each fiscal year's debt service requirements.

4. Mineral Impact Loan

On November 4, 2004 the County took out a mineral impact loan with the Colorado Department of Local Affairs for $200,000. The loan is financed by the Sewer Fund and the proceeds were used for the North Gunnison County sewer reconstruction project. The loan requires payments totaling $19,108 annually thru 2019 with a 5% interest rate.

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IV. Detailed Notes on All Funds (continued)

I. Long-term Liabilities – Business-type Activities (continued)

5. 2005 & 2006 Sewer Refunding and Improvement Revenue Bonds (U.S.D.A)

The County issued $1,519,270 of Gunnison County Sewer Fund, North Gunnison Sewer Project Refunding Bonds, on October 15, 2005, bearing interest at 4.25%. The bonds require semi-annual payments of $39,669 each June 1 and December 1. The bonds are subject to optional redemption without any additional premium. The bonds mature in 2044.

In 2006 the County issued and additional revenue bond totaling $322,000 with an interest rate of 4.25%. The Bonds require payments of $8,408 and mature in 2046.

These bonds are secured by a Reserve Fund. In accordance with bond agreement, the County has restricted cash of $83,180 at December 31, 2013.

The bond documents include a Rate Maintenance Covenant, which requires the County to establish service rates at a level sufficient to cover operating and maintenance expense, as well as 100% of each fiscal year's debt service requirements.

6. Gunnison County Housing Authority

Primary Mortgage. In 2003 the Housing Authority, a blended component unit of the County, agreed to a mortgage, which is subject to a first deed of trust including a lien on, and pledge of, the gross revenues derived and to be derived from operation of the Mountain View housing project, payable to the Colorado Housing Finance Authority in the amount of $528,100. The loan requires $3,082 per month, including interest at 5.75%, with payment on October 1, 2033. The County had an outstanding balance of $436,491 at December 31, 2013.

Surplus Cash. During the year ended December 31, 2003, the Housing Authority received $378,864 from the Secretary of Housing and Urban Development, Washington D.C. evidenced by a Note Payable and secured by the Mountain View Apartments. The maturity date of the Note is November 1, 2033 with an interest rate of 1.0% per annum, to accrue on the original principal balance until maturity. The County had an outstanding balance of $378,864 at December 31, 2013. The Authority is required to establish a reserve fund to accumulate funds at a rate of $425 per month for the replacement and major maintenance costs. Additionally, there are certain mortgage issuance costs relating to the refunding under HUD's Mark-to-Market (M2M) program being amortized over the course of the new mortgage which total $291,829, net of accumulated amortization, at December 31, 2012 which were restated during 2013 (see Note V.H.).

Contingent Payable. During the year ended December 31, 2003, the Housing Authority received $624,011 from the Secretary of Housing and Urban Development, Washington D.C., evidenced by a Note Payable and secured by the Mountain View Apartments. The maturity date of the Note is November 1, 2033 with an interest rate of 1.0% per annum, annually, on the unpaid principal balance until paid. The County had an outstanding balance of $394,617 at December 31, 2013.

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IV. Detailed Notes on All Funds (continued)

I. Long-term Liabilities – Business-type Activities (continued)

7. $600,000 Revenue Note, Series 2001

In 2001, Gunnison County Housing Authority issued a $710,000 revenue note, dated November 6, 2001, pledged with a security interest in the revenues and property associated with the Palisades Assisted Living Center (the "Center'). The note has a 5.9% annual coupon rate and a maturity date of November 1, 2020. The note was later amended to reduce the outstanding balance to $600,000.

During the year ended December 31, 2003, the Authority refinanced the outstanding balance. The new terms provide for a lower interest rate of 4.13%, fixed until November 1, 2005, after which the rate will be adjusted to 4.14%. The loan is payable in 207 regular monthly payments of $3,041 and one irregular last payment estimated at $290,153.

The Center (which includes the Willows Assisted Living Facility) was then leased to the Board of Trustees of the Gunnison Valley Hospital. The lease term is for a period of four years, commencing on February 20, 2008. The lease was extended for another two years in a similar agreement on February 21, 2012. The lease can be terminated, extended, or modified with the mutual agreement of both parties.

8. Landfill Closure and Postclosure Liability

In accordance with EPA requirements the County has conducted a study to estimate its liability to close the landfill and monitor it for thirty years thereafter. These costs are reflected as the landfill accepts waste. The County's landfill has used 81% to date of the currently developed cell's capacity and has 3 years left on its currently developed cell. Additional cells will be opened as needed. The landfill liability recorded at year end is $1,090,847. The estimated total current cost of closure and post-closure care remaining to be recognized is $250,116. The estimated total amount of the landfill closure and post-closure cost is based on the amount that would be paid if all equipment, facilities, and services required to close, monitor, and maintain the landfill were acquired as of December 31, 2013. However, the actual cost of closure and post-closure may be higher due to inflation, changes in technology, or changes in landfill laws and regulations.

The County is required by state and federal laws and regulations to provide adequate financial resources to pay for all closure and post-closure care. At December 31, 2013, the County had reserved $881,525 for these purposes. The remaining portion of anticipated future inflation costs and additional costs that might arise from changes in post-closure requirements (due to changes in technology or more rigorous environmental regulations, for example) may need to be covered by charges to future landfill users, taxpayers, or both.

J. Long-term Liabilities - Compensated Absences

The County has a policy of allowing the accumulation of paid vacation and sick leave, subject to certain maximum limits. In accordance with GAAP, the County's approximate liability for vacation pay earned by employees at December 31, 2013 has been reflected in the proprietary type fund financial statements and in the governmental activities column of the government-wide financial statements. Compensated absences for governmental activities are generally liquidated by the General Fund.

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IV. Detailed Notes on All Funds (continued)

K. Long-term Liabilities – Summary

Long-term liability activity for the year ended December 31, 2013 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities:					
Internal Service Fund:					
Compensated Absences	85,324	-	9,729	95,053	38,021
Other Governmental Debt:					
Colorado SIB Loan - 2004	115,042	-	(56,395)	58,647	58,647
Rock Creek Lease	28,952	-	(28,952)	-	
Advocacy Center	134,730	-	(43,054)	91,676	44,885
Pitchfork Loan	21,841	-	(1,685)	20,156	1,752
Airport Construction	138,720	-	(17,246)	121,474	18,039
Certificates of Participation - 2010	17,270,000	-	(405,000)	16,865,000	410,000
Energy Improvement Lease - 2010	968,950	-	(105,774)	863,176	109,831
Rock Creek Loan 1416	99,256	-	(2,372)	96,884	2,495
Rock Creek Loan 1420	82,327	-	(1,670)	80,657	1,775
Stallion Park Loan	89,164	-	(2,008)	87,156	2,131
Rapid Response Vehicle - 2013	-	354,200	(24,161)	330,039	32,815
Certificates of Participation - 2013	-	9,710,000	-	9,710,000	275,000
Unamortized bond premiums	-	289,100	(19,181)	269,919	-
Compensated Absences	1,340,361	-	(45,670)	1,294,691	517,876
Total Governmental Activities Long-term Liabilities	20,374,667	10,353,300	(743,439)	29,984,528	1,513,268
Business-type Activities:					
Impact Assistance Loan Funds - Water	64,806	-	(4,784)	60,022	5,023
Antelope Hills Water Line Extension Loan	808,147	283,654	(1,091,801)	-	-
DOLA Mineral Impact Loan	110,565	-	(13,579)	96,986	14,259
North Gunnison Sewer Revenue Bond - 2005	1,371,387	-	(21,341)	1,350,046	21,766
North Gunnison Sewer Revenue Bond - 2006	297,367	-	(4,159)	293,208	4,338
Antelope Hills Water Revenue Bonds - 2013	-	1,154,230	(4,553)	1,149,677	18,626
Gunnison County Housing Authority:					
Mortgage - Primary Mortgage	448,013	-	(11,524)	436,489	12,173
Mortgage - Surplus Cash	406,774	-	(12,157)	394,617	-
Mortgage - Contingent Payable	378,864	-	-	378,864	-
Note Payable - Palisades Living Center	448,925	-	(17,990)	430,935	19,096
Accrued Liability for Landfill Closure Costs	965,789	73,285	51,773	1,090,847	-
Compensated Absences	113,539	11,559	(29,342)	95,756	38,301
Total Business-type Activities Long-term Liabilities	5,414,176	1,522,728	(1,159,457)	5,777,447	133,582

IV. Detailed Notes on All Funds (continued)

L. Long-term Liabilities – Activity and Debt Service Schedules

Debt service requirements at December 31, 2013 were as follows:

		Governmental Funds		Business-Type		Housing Authority		Total	
Dates		Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2014		957,370	1,381,767	64,012	102,164	31,269	42,202	1,052,651	1,526,133
2015		1,066,343	1,384,060	66,496	99,680	32,790	40,680	1,165,629	1,524,420
2016		936,202	1,352,012	69,085	97,091	34,344	39,126	1,039,632	1,488,229
2017		875,421	1,326,289	71,784	94,392	36,066	37,404	983,271	1,458,086
2018		896,870	1,299,920	74,597	91,578	37,829	35,641	1,009,296	1,427,140
2019	2023	4,337,659	6,000,213	334,044	417,247	415,761	122,909	5,087,464	6,540,369
2024	2028	4,615,000	4,992,340	336,733	358,487	121,541	63,370	5,073,274	5,414,197
2029	2033	5,680,000	3,620,879	400,848	294,373	931,304	29,390	7,012,152	3,944,641
2034	2038	7,050,000	1,839,906	478,324	216,897	-	-	7,528,324	2,056,803
2039	2043	1,910,000	176,707	572,106	123,115	-	-	2,482,106	299,822
2044	2048	-	-	292,072	43,350	-	-	292,072	43,350
2049	2053	-	-	189,837	10,436	-	-	189,837	10,436
		28,324,865	23,374,093	2,949,939	1,948,811	1,640,905	410,722	32,433,800	25,679,839

M. Long-term Liabilities – Component Unit

1. Hospital Revenue Bonds -

Series 2010 Revenue Bonds, remaining annual maturities of $300,000 to $480,000, through September 1, 2023, bearing interest at 65% of monthly LIBOR plus 1.95%, payable semiannually.

The Series 2010 Bonds are issued pursuant to and are secured by the Bond Resolution. The Bonds are limited obligations payable solely from the net revenues derived from operations of the Hospital and Health Care Center.

Series 2012 Revenue Refunding Bonds, remaining annual maturities of $435,000 to $595,000, through July 1, 2023, bearing interest at 2.7% payable semiannually. The Bonds were issued to advance refund the Series 1998 Bonds.

The Series 2012 Revenue Refunding Bonds are issued pursuant to and are secured by the Bond Resolution. The Bonds are limited obligations payable solely from the net revenues derived from operations of the Hospital and Health Care Center.

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IV. Detailed Notes on All Funds (continued)

M. Long-term Liabilities – Component Unit (continued)

The indenture agreements for the Series 2010 and 2012 Revenue Bonds require that certain funds be established with the trustee. Accordingly, these funds are included as assets held by trustee for debt service in the combined statements of net position. The indenture agreement also requires the Organizations to comply with certain restrictive covenants including minimum insurance coverage, maintaining a debt-service coverage ratio of at least 1.25, have 90 days of cash on hand, and restrictions on incurrence of additional debt.

During 2012 the Organizations' debt-service coverage ratio was below the required ratio. A forbearance agreement was entered into on September 28, 2012, which reduced the required debt-service coverage ratio to 1.10 until May 31, 2013, at which time the required ratio goes back to 1.25. Management believes the Organizations were in compliance with the restrictive covenants at December 31, 2013.

Gunnison County was required to guarantee the debt service payments in connection with the issuance of the Series 2012 Revenue Refunding Bonds as additional security for the Bond. The County was required to establish a reserve account ("County Reserve Fund") in the amount of $750,000 with CoBiz Bank. Should the County Reserve Fund be utilized to pay the debt service the County will be required to replenish the fund. The Hospital pledges to reimburse the County, on a subordinate basis to the 2010 and 2012 Bonds. As a provision of the guarantee agreement, the County Reserve Fund can be reduced to $375,000 and potentially $0 between now and December 31, 2014 if certain financial performance measures are met by the Hospital. As of December 31, 2013 the required balance was $750,000. As of January 31, 2014 the required balance was $375,000.

1. **Interest Rate Swap Agreement** – In connection with the Series 2010 Revenue Bonds, the Hospital entered into a interest rate swap agreement with the intention of effectively changing the Hospital's variable interest rate to a synthetic fixed rate of 4.025%. The agreement was entered into on August 27, 2010, and is scheduled to end on September 1, 2023. As of December 31, 2013 and 2012, the agreement had a fair value of $184,440 and $563,874, respectively. The value is calculated using the par-value method.

2. **Capital Lease Obligations** – The Hospital is obligated under a lease for equipment that is accounted for as a capital lease. The assets under capital leases at December 31, 2012 and 2011, totaled $2,345,081, net of accumulated depreciation of $1,224,805 and $755,787, respectively. There are two separate capital leases entered into that require monthly payments of $4,672 and $37,064, at interest rates of 2.90% and 2.59%, respectively. The lease terms are through October 2015 and May 2016, respectively.

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IV. Detailed Notes on All Funds (continued)

M. Long-term Liabilities – Component Unit (continued)

The Gunnison Valley Hospital and Health Care Center have the following long-term liability activity for the year ended December 31, 2013:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Hospital revenue bonds	$ 12,830,054	-	(790,000)	12,040,054	795,000
Capital lease obligations	1,604,942	-	(464,355)	1,140,587	476,690
Total Long-term Liabilities	$ 14,333,433	-	(1,254,355)	13,180,641	1,271,690

Debt service requirements at December 31, 2013 were as follows:

	Bonds		Capital Lease	
	Principal	Interest	Principal	Interest
2013	$ 740,000	358,546	464,354	36,480
2014	825,000	408,747	476,689	24,145
2015	840,000	381,702	479,996	11,494
2016	850,000	354,252	183,903	1,417
2017	890,000	326,029	-	-
2018-2022	4,970,000	1,162,204	-	-
2023	3,715,054	78,050	-	-
Total Long-term Liabilities	$ 12,830,054	3,069,530	1,604,942	73,536

O. Fund Balance Disclosures

The County classifies governmental fund balances as follows:

Non-spendable - includes fund balance amounts that cannot be spent either because it is not in spendable form or because of legal or contractual requirements.

Spendable Fund Balance:

Restricted – includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors or amounts constrained due to constitutional provisions or enabling legislation.

Committed – includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through adoption of a formal Resolution by the highest level of decision making authority which is the Board of County Commissioners. Once adopted, the limitation imposed the Resolution remains in place until a similar action is taken (i.e. the adoption of another resolution to remove or revise the limitation). The County's original budget legislation begins with combining historical data, assessment of needs for the upcoming year and the Board's platform to review, and/or make changes to each department's budget. Before year end, a budgetary committee will meet again with each department for final review and approval of preliminary budget. The Budget is then formally presented to the Board via an advertised public process for their review, revisions and final approval by year end. All subsequent budget requests made during the year, after Board approval, must be presented via a public process and again approval by the Board.

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IV. Detailed Notes on All Funds (continued)

O. Fund Balance Disclosures (continued)

Assigned – includes spendable fund balance amounts that are intended to be used for specific purposes that are neither considered restricted or committed. Fund Balance may be assigned by the Board or its management designee.

Unassigned - includes residual positive fund balance within the General Fund which has not been classified within the other above mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

The County uses restricted amounts to be spent first when both restricted and restricted fund balance is available unless there are legal documents/contracts that prohibit doing this, such as in grant agreements requiring dollar for dollar spending. Additionally, the County would first use committed, then assigned, and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

The County does not have a formal minimum fund balance policy. However, the County's budget includes a calculation of a targeted reserve positions and the Administration calculates targets and report them annually to the Board.

As of December 31, 2013, fund balances are composed of the following:

	General Fund	Other Governmental Funds	Total Governmental Funds	Description
Non-spendable:				
Prepaid expenses	$ -	$ 13,995	$ 13,995	
Restricted:				
Emergency reserve	854,000	-	854,000	Legislative Restriction
Hospital Guarantee	750,000	-	750,000	Debt Restriction
Road and Bridge	-	2,265,463	2,265,463	Legislative Restriction
Human Services	-	519,528	519,528	Legislative Restriction
Sales Tax Capital Improvement	-	1,556,954	1,556,954	Ballot Restriction
Capital Expenditure	-	11,179,896	11,179,896	Debt Restriction
Conservation Trust	-	52,252	52,252	Legislative Restriction
Land Preservation	-	173,331	173,331	Ballot Restriction
Local Marketing District	-	529,529	529,529	Ballot Restriction
Debt Service	-	150,691	150,691	Debt Restriction
Committed:				
Water Resource Protection	86,675	-	86,675	BOCC Resolution
Workforce Impact Fees	611,639	-	611,639	BOCC Resolution
Courthouse Renovation	1,779,633	-	1,779,633	BOCC Resolution
Public Health	-	24,794	24,794	BOCC Resolution
Mosquito Control	-	17,922	17,922	BOCC Resolution
Sage Grouse	-	97,253	97,253	BOCC Resolution
Debt Service	-	1,582,538	1,582,538	BOCC Resolution
Assigned:				
Airport Construction	-	97,060	97,060	General Designation
Capital Expenditure	-	408,733	408,733	General Designation
Risk Management	-	524,975	524,975	General Designation
Housing Authority Administration	-	124,208	124,208	General Designation
Unassigned				
Unassigned	2,820,130	(624,479)	2,195,651	
Total Fund Balances	$ 6,902,077	$ 19,319,122	$ 25,596,720	

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V. Other Information

A. Pension Plans

The County is a member of the Colorado County Officials and Employees Retirement Association ("CCOERA") which offers a defined contribution pension plan 401(a), and a Section 457 deferred compensation plan. CCOERA was organized in 1966 pursuant to state statutes, and includes counties, municipalities and special districts. The 401(a) plan requires mandatory pre-tax contributions, which are established by the employer, up to a maximum of 6%.

1. Defined Contribution Pension Plan

Under a defined contribution pension plan, the benefits a participant will receive depend upon separation from employment; include the total of all employee contributions, the returns earned on investments of those contributions, and the vested percentage of the employer match.

Participation is mandatory for all regular employees who work 1040 or more hours per year and contributions begin the first day of the month after the date of employment. Eligible employees contribute three percent (3%) of their base pay which is matched by the County. The plan has a five (5) year vesting period and is distributed upon the employee's separation from employment. Participants may also voluntarily contribute up to ten percent (10%) of an employee's base pay as an after-tax contribution in the plan.

During the year, the County's required and actual contributions amounted to $282,807 which was three percent (3%) of its current year covered payroll of $9,426,900. The County's total payroll for 2013 was $9,978,613. The County's employees contributed $282,807.

No pension provision changes occurred during the year that affected the required contributions made by the County or its employees.

2. Deferred Compensation Plan

The County offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan provides for salary deferral, in which the County will match up to the first two percent (2%) of base pay for all employees who work 1040 or more hours per year. All employees can voluntarily contribute tax sheltered or after-tax base pay to the 457 plan up to the current year maximum amount which is determined annually by the IRS.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are to be held in trust for the exclusive benefit of the plan participants and their beneficiaries. Amounts contributed to the Deferred Compensation Plan are not available to employees until separation from employment or unforeseeable emergency. CCOERA also now offers loans on account balances above $5,000.

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V. Other Information (continued)

A. Pension Plans (continued)

2. Deferred Compensation Plan (continued)

For 2013, the County contributed $151,543 to the Deferred Compensation Plan on behalf of participating employees, which represents the required 2% contribution based on 2013 covered payroll of $7,577,150.

The County has no liability for losses under the plan but does have the duty of due care that would be required of an ordinary prudent investor. The County does not administer the plan and is not the Trustee of the plan.

B. Other Employee Benefits

1. Post Employment Health Care Benefits

All County employees covered by COBRA insurance may continue their health insurance due to a reduction in work hours or termination of employment. Employees who elect continued coverage must pay the County for premiums from the termination date of coverage and monthly thereafter. No cost to the County is recognized as employees reimburse 102% of their premium cost to the County.

2. Cafeteria Plan

The County offers a cafeteria compensation plan organized under IRS Section 125 that includes the following benefits: medical disability, accident and/or term life insurance, health expense reimbursement and child care benefits. No cost to the County is recognized as the plan is a salary reduction plan.

C. Retirement Plan - Component Unit - Gunnison Valley Hospital and Health Care Center

The Organizations participate in the Colorado County Officials and Employees Retirement Association's defined contribution plan (the "Plan"). The Hospital contributes 5% and the Center contributes 3% for the years ended December 31, 2013 and 2012 on behalf of the employees who participate in the Plan. Employees become eligible for the Plan after working the lesser of one year or 1,040 hours and are vested in the contributions to the Plan over a five-year period. In May 2012, the Hospital discontinued the employer match. Employer plan contributions for the years ended December 31, 2013 and 2012 were $0 and $219,121 for the Hospital, respectively, and $104,361 and $153,785 for the Center, respectively. Employee contributions range from 5% to 25%.

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V. Other Information (continued)

D. Risk Management

The County is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the government carries commercial insurance.

The County mitigates risk through the following self-insurance pools and funds:

1. Colorado Counties Casualty and Property Pool

The County is exposed to various risks of loss related to property and casualty losses. The County joined together with other counties in the State of Colorado to form the Colorado Counties Casualty and Property Pool ("CAPP"), a public entity risk pool currently operating as a common risk management and insurance program for member counties. The County pays an annual contribution to CAPP for its property and casualty insurance coverage. The intergovernmental agreement of formation of CAPP provides that the pool will be financially self-sustaining through member contributions and additional assessments, if necessary, and the pool will purchase excess insurance through commercial companies for members' claims in excess of a specified self-insured retention, which is determined each policy year.

The County participates in CAPP's Partially Self-Funded Program whereby the County self funds a portion of its anticipated property and casualty claims.

2. Unemployment Insurance

The County has established Internal Service Funds to account for its risk associated with unemployment claims.

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include amounts for claims that have been incurred but not reported (IBNRs). Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of pay-outs and other economic and social factors. The County had no liability for anticipated unemployment claims at December 31, 2013.

3. Self-Insurance Unemployment Pool

The County is designated as a Reimbursable Employer for unemployment claims. A reserve has been established to reimburse the State for unemployment claims as they arise, instead of paying unemployment tax on a quarterly basis.

4. Self-Insurance Health Insurance Pool

The County has established an internal service fund to account for partially self-funded employee health insurance costs. The County accumulates resources to pay health insurance costs, but carries a stop loss policy for individuals of $45,000 and an aggregate stop loss minimum exposure of $1,455,832 with HM Life Re-Insurance Company.

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V. Other Information (continued)

E. Commitments and Contingencies

1. Lawsuits

The County is currently the defendant in several lawsuits. Based upon the opinion of its legal counsel, any material claims would be covered by insurance.

2. Grants

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the County expects such amounts, if any, to be immaterial.

3. Guarantees

Gunnison Valley Hospital Gunnison County was required to guarantee the debt service payments in connection with the issuance of the Hospital's aforementioned Series 2012 Revenue Refunding Bonds as additional security for the Bond. The County was required to establish a reserve account ("County Reserve Fund") in the amount of $750,000 with CoBiz Bank. Should the County Reserve Fund be utilized to pay the debt service the County will be required to replenish the fund. The Hospital pledges to reimburse the County, on a subordinate basis to the 2010 and 2012 Bonds. As a provision of the guarantee agreement, the County Reserve Fund can be reduced to $375,000 and potentially $0 between now and December 31, 2014 if certain financial performance measures are met by the Hospital. As of December 31, 2013 the required balance was $750,000. As of January 31, 2014 the required balance was $375,000.

Gunnison Valley Animal Shelter Gunnison County was required to guarantee the debt service payments in connection with the issuance of the Gunnison Valley Animal Shelter's Loan Agreement in the amount of $220,000. The loan is for the Gunnison Valley Animal Welfare League for its animal shelter project in the Gold Basin Industrial Park on Basin Park Drive. Additionally, pursuant to the Gunnison Valley Shelter Agreement, signed October 15, 2013, the County agreed to fund the shelter $100,000 over 3 years beginning in 2014. The long term payable was $100,000 at December 31, 2013.

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V. Other Information (continued)

F. Possible Violations of State Statutes - Budgets

The following funds had expenditures over budget; this may be a violation of Colorado state statutes:

	Final Budget	Actual	(Over) Budget
Road & Bridge	12,004,862	13,808,223	(1,803,361)

G. Subsequent Events

Management has evaluated all subsequent events through July 31, 2014, the date these financial statements were available to be issued, and determined that no others required disclosure.

H. Implementation of Government Accounting Standards Board Statement No. 65, Items Previously Reported as Assets and Liabilities

The County implemented GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, which requires debt issuance costs, previously reported as an asset and amortized, to be recognized as an outflow at the times such costs are incurred. As such, the financial statements report a restatement of the beginning net position in the amount of the amount of $402,922, which was the unamortized debt issuance cost at December 31, 2012.

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REQUIRED SUPPLEMENTARY INFORMATION

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Gunnison County
COLORADO

Gunnison County, Colorado
General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2013
(With Comparative Actual Amounts for the Year Ended December 31, 2012)

	2013				2012
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Revenues:					
Taxes	7,051,308	7,051,308	7,133,660	82,352	7,217,775
Licenses and permits	292,920	292,920	294,276	1,356	300,777
Intergovernmental	1,812,748	1,884,476	1,689,511	(194,965)	1,851,822
Charges for services	1,320,520	1,341,510	1,412,246	70,736	1,462,381
Investment income	47,240	47,240	57,921	10,681	114,298
Contributions	90,470	106,461	94,678	(11,783)	120,498
Miscellaneous	140,982	144,394	229,774	85,380	389,608
Total Revenues	10,756,188	10,868,309	10,912,066	43,757	11,457,159
Expenditures:					
General government	7,391,820	7,442,195	6,585,880	856,315	6,542,918
Judicial	262,382	262,382	262,382	-	251,665
Public Safety	2,932,838	2,977,946	2,850,013	127,933	2,785,521
Health and welfare	853,999	920,659	867,199	53,460	823,151
Auxiliary services	286,476	286,476	265,738	20,738	257,857
Culture and recreation	308,469	309,969	310,565	(596)	279,413
Public works	160,129	160,129	142,792	17,337	137,559
Debt service	35,582	35,582	35,583	(1)	205,559
Total Expenditures	12,231,695	12,395,338	11,320,152	1,075,186	11,283,643
Excess (Deficiency) of Revenues Over Expenditures	(1,475,507)	(1,527,029)	(408,086)	1,118,943	173,516
Other Financing Sources (Uses):					
Transfers in	1,992,051	2,611,263	2,580,561	(30,702)	1,297,613
Transfers (out)	(799,893)	(4,259,476)	(2,719,324)	1,540,152	(1,761,528)
Sale of capital assets	-	-	-	-	101,226
Total Other Financing Sources (Uses)	1,192,158	(1,648,213)	(138,763)	1,509,450	(362,689)
Net Change in Fund Balances	(283,349)	(3,175,242)	(546,849)	2,628,393	(189,173)
Fund Balances - Beginning of Year			7,448,926		7,638,099
Fund Balances - End of Year			6,902,077		7,448,926

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The accompanying notes are an integral part of these financial statements.

Gunnison County, Colorado
General Fund
Schedule of Revenues - Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2013
(With Comparative Actual Amounts for the Year Ended December 31, 2012)

	2013				2012
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Taxes:					
General property taxes	6,819,908	6,819,908	6,840,578	20,670	6,950,562
Specific ownership tax	210,000	210,000	267,049	57,049	242,170
Delinquent tax and interest	21,400	21,400	26,033	4,633	25,042
Total Taxes	7,051,308	7,051,308	7,133,660	82,352	7,217,774
Licenses and Permits:					
Liquor licenses	1,500	1,500	8,108	6,608	4,283
Building permits	145,000	145,000	141,115	(3,885)	130,130
Other licenses and permits	146,420	146,420	145,053	(1,367)	166,365
Total Licenses and Permits	292,920	292,920	294,276	1,356	300,778
Intergovernmental:					
Federal Grants	334,626	334,626	358,620	23,994	422,955
State Grants	1,349,032	1,407,972	1,199,995	(207,977)	1,308,563
Local Grants	129,090	141,878	130,896	(10,982)	120,304
Total Intergovernmental	1,812,748	1,884,476	1,689,511	(194,965)	1,851,822
Charges for Services:					
Clerk and recorder	286,635	308,695	403,732	95,037	432,090
Sheriff's fees	67,602	67,602	58,331	(9,271)	68,278
Treasurer's fees	750,000	750,000	705,412	(44,588)	715,265
Other Fees	86,383	86,383	137,632	51,249	106,410
Assessor's Fees	12,000	12,000	7,136	(4,864)	15,057
Public Health Fees	55,800	54,730	27,075	(27,655)	43,392
Useful Public Service	40,000	40,000	34,031	(5,969)	38,266
Court Fines & Fees	22,100	22,100	38,897	16,797	43,623
Total Charges for Services	1,320,520	1,341,510	1,412,246	70,736	1,462,381
Other Revenue:					
Investment income	47,240	47,240	57,921	10,681	114,298
Contributions	90,470	106,461	94,678	(11,783)	120,498
Miscellaneous	140,982	144,394	229,774	85,380	389,608
Total Other Revenue	278,692	298,095	382,373	84,278	624,404
Total Revenues	10,756,188	10,868,309	10,912,066	43,757	11,457,159

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The accompanying notes are an integral part of these financial statements.

Gunnison County, Colorado
General Fund
Schedule of Expenditures - Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2013
(With Comparative Actual Amounts for the Year Ended December 31, 2012)

	2013				2012
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
General Government:					
Commissioners	539,914	539,914	460,128	79,786	451,767
Board Support	126,073	126,073	102,924	23,149	111,485
Executive Management	301,183	301,183	245,360	55,823	221,851
Public Information	69,732	69,732	73,170	(3,438)	54,539
Clerk	33,765	33,765	33,309	456	43,739
Motor Vehicle	209,898	209,898	209,817	81	199,681
Recording	125,607	125,607	122,942	2,665	118,343
Elections	233,199	233,199	244,942	(11,743)	307,508
Revenue (Treasurer)	259,492	259,492	252,798	6,694	248,899
Investments (Treasurer)	24,274	24,274	18,485	5,789	13,495
Human Resources	111,114	111,114	106,365	4,749	106,979
Wildlife Conservation	118,607	123,227	124,665	(1,438)	110,425
County Attorney	584,135	584,135	582,740	1,395	561,591
Facilities & Grounds	798,335	798,335	622,627	175,708	646,228
Project Services	79,440	79,440	68,543	10,897	92,777
Assessment Administration	297,005	297,005	282,551	14,454	274,616
Appraisal	396,648	396,648	385,434	11,214	372,551
Appeals	100,787	100,787	97,061	3,726	138,947
Personal Property	76,077	76,077	69,450	6,627	66,432
Permitting & Plan Review	323,845	323,845	223,083	100,762	289,248
Inspections	150,811	150,811	65,354	85,457	82,617
Response & Resolution	85,278	85,278	63,377	21,901	79,771
Data Collection	148,667	148,667	131,144	17,523	141,430
Codes & Regulations	74,223	74,223	50,075	24,148	73,381
Accounting & Auditing	403,965	403,965	391,321	12,644	292,397
Planning & Analysis	97,224	97,224	95,430	1,794	178,398
Compensated Absences	84,052	84,052	89,060	(5,008)	49,410
Weather Modification	100,818	108,078	101,243	6,835	97,462
Other General Fund Expenditures	1,320,430	1,358,925	1,174,288	184,637	1,014,974
Energy Efficiency Intiatives	12,557	12,557	7,159	5,398	6,888
Staff Support for Boards	104,665	104,665	91,034	13,631	95,091
Total General Government	7,391,820	7,442,195	6,585,879	856,316	6,542,920
Judicial:					
Distric Attorney	262,382	262,382	262,382	-	251,665
Total Judicial	262,382	262,382	262,382	-	251,665
Public Safety:					
Detention Services	782,831	782,831	744,917	37,914	720,515
Enforcement	635,154	635,154	620,428	14,726	607,358
Operational Support	780,947	780,947	741,178	39,769	723,017
Courtroom Security	5,232	50,340	70,557	(20,217)	11,103
Investigations	156,985	156,985	144,746	12,239	147,393
Major Incident Response	32,972	32,972	30,958	2,014	29,724
Operational Support-Detention	171,555	171,555	160,223	11,332	136,931
Emergency Management	158,909	158,909	144,852	14,057	191,120
Coroner	80,927	80,927	74,225	6,702	90,207
Youth Intervention Services	127,326	127,326	117,929	9,397	128,152
Total Public Safety	2,932,838	2,977,946	2,850,013	127,933	2,785,520
Health and Welfare:					
Victim Services	84,431	84,431	85,771	(1,340)	91,725
Substance Abuse Prevention	190,926	207,415	192,322	15,093	143,799
Program Support	37,312	37,312	38,651	(1,339)	37,648
Senior Resources	154,567	159,977	159,607	370	158,316
Child & Family Health	223,277	240,220	205,280	34,940	226,265
Community Health Services	13,500	13,500	6,600	6,900	14,095
Family Planning	149,986	177,804	178,968	(1,164)	151,304
Total Health and Welfare	853,999	920,659	867,199	53,460	823,152
Auxiliary Services:					
Alternative Services	89,209	89,209	87,861	1,348	85,924
Adult Programming	61,636	61,636	47,599	14,037	68,488
Youth Development	130,318	130,318	125,922	4,396	99,107
Veterans	5,313	5,313	4,357	956	4,338
Total Auxiliary Services	286,476	286,476	265,739	20,737	257,857
Culture and Recreation:					
Fairgrounds Management	270,835	270,835	268,980	1,855	222,874
Trails - Parks	25,567	25,567	35,849	(10,282)	52,500
Landfill	7,176	7,176	264	6,912	300
Historic Preservation	4,891	6,391	5,472	919	3,740
Total Culture and Recreation	308,469	309,969	310,565	(596)	279,414
Public Works:					
Weed Management	160,129	160,129	142,792	17,337	137,559
Total Public Works	160,129	160,129	142,792	17,337	137,559
Debt Service:					
Principal	6,050	6,050	6,048	2	168,375
Interest	29,532	29,532	29,535	(3)	37,183
Total Debt Service	35,582	35,582	35,583	(1)	205,558
Total Expenditures	12,231,695	12,395,338	11,320,152	1,075,186	11,283,645

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The accompanying notes are an integral part of these financial statements.

Gunnison County, Colorado
Special Revenue Funds
Road and Bridge Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2013
(With Comparative Actual Amounts for the Year Ended December 31, 2012)

	2013				2012
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Revenues:					
Taxes:					
Specific ownership tax	115,000	115,000	143,796	28,796	130,400
Total Taxes	115,000	115,000	143,796	28,796	130,400
Intergovernmental:					
Payment in lieu of taxes	500,000	500,000	500,000	-	558,242
Local grants	1,000	1,000	-	(1,000)	242
Federal grants	-	4,252,606	6,621,944	2,369,338	93,256
State grants	335,616	335,616	57,020	(278,596)	166,116
Highway users trust fund	2,548,506	2,548,506	2,591,510	43,004	2,574,442
Forest service	146,200	146,200	505,304	359,104	475,820
Mineral leasing	1,000,000	1,000,000	541,094	(458,906)	978,035
Total Intergovernmental	4,531,322	8,783,928	10,816,872	2,032,944	4,846,153
Charges for Services:					
Municipalities	52,453	52,453	51,045	(1,408)	46,460
Permits	3,000	3,000	13,671	10,671	15,641
Other	65	65	166	101	1,067
Total Charges for Services	55,518	55,518	64,882	9,364	63,168
Other:					
Fines and forfeitures	50	50	-	(50)	-
Investment income	23,500	23,500	16,665	(6,835)	52,534
Miscellaneous	300	300	97,318	97,018	90,883
Total Other Revenue	23,850	23,850	113,983	90,133	143,417
Total Revenues	4,725,690	8,978,296	11,139,533	2,161,237	5,183,138
Expenditures:					
Road construction	633,162	5,769,780	8,383,266	(2,613,486)	581,646
Bridges	183,238	183,238	54,706	128,532	207,815
Winter maintenance	907,781	907,781	931,239	(23,458)	653,940
Operational support	538,123	538,123	406,033	132,090	400,018
Trails and park	396,471	396,471	16,913	379,558	7,264
Municipalities	83,585	83,585	73,430	10,155	69,352
Road maintenance	3,050,667	3,050,667	2,867,418	183,249	3,056,353
Total Expenditures	5,793,027	10,929,645	12,733,006	(1,803,361)	4,976,388
Excess (Deficiency) of Revenues Over Expenditures	(1,067,337)	(1,951,349)	(1,593,473)	357,876	206,750
Other Financing Sources (Uses):					
Transfers in	218,592	218,592	218,592	-	216,876
Transfers (out)	(1,075,217)	(1,075,217)	(1,075,217)	-	(897,009)
Total Other Financing Sources (Uses)	(856,625)	(856,625)	(856,625)	-	(680,133)
Net Change in Fund Balances	(1,923,962)	(2,807,974)	(2,450,098)	357,876	(473,383)
Fund Balances - Beginning of Year			4,715,561		5,188,944
Fund Balances - End of Year			2,265,463		4,715,561

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The accompanying notes are an integral part of these financial statements.

Gunnison County, Colorado
Special Revenue Funds
Human Services Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2013
(With Comparative Actual Amounts for the Year Ended December 31, 2012)

	2013				2012
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Revenues:					
Taxes:					
Property tax revenue	268,823	268,823	265,886	(2,937)	270,277
Delinquent tax and interest	660	660	999	339	854
Intergovernmental:					
EBT reimbursements	3,430,492	3,454,751	3,404,361	(50,390)	3,302,856
Other	35,000	35,000	39,998	4,998	34,878
Other:					
Contributions	3,040	3,040	6,275	3,235	3,222
Miscellaneous	1,500	1,500	3,768	2,268	2,765
Total Revenues	3,739,515	3,763,774	3,721,287	(42,487)	3,614,852
Expenditures:					
Youth and family prevention services	103,470	109,729	79,271	30,458	85,019
Self-sufficiency development	228,482	228,482	228,593	(111)	195,051
Program support	433,269	489,431	406,523	82,908	407,932
Children and family services	866,096	866,096	845,290	20,806	870,040
Child support enforcement	79,975	79,975	78,237	1,738	76,643
Public assistance	1,903,814	1,903,814	1,917,404	(13,590)	1,840,221
Community health services	-	-	5,726	(5,726)	-
Total Expenditures	3,615,106	3,677,527	3,561,044	116,483	3,474,906
Excess (Deficiency) of Revenues Over Expenditures	124,409	86,247	160,243	73,996	139,946
Other Financing Sources (Uses):					
Transfers (out)	(145,785)	(145,785)	(133,276)	12,509	(115,125)
Total Other Financing Sources (Uses)	(145,785)	(145,785)	(133,276)	12,509	(115,125)
Net Change in Fund Balances	(21,376)	(59,538)	26,967	86,505	24,821
Fund Balances - Beginning of Year			492,561		467,740
Fund Balances - End of Year			519,528		492,561

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The accompanying notes are an integral part of these financial statements.

Gunnison County, Colorado
Special Revenue Funds
Sales Tax Capital Improvement Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2013
(With Comparative Actual Amounts for the Year Ended December 31, 2012)

	2013				2012
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Revenues:					
Taxes:					
Sales tax	1,432,560	1,432,560	1,520,286	87,726	1,416,908
Investment Income	1,650	1,650	3,028	1,378	5,869
Total Revenues	1,434,210	1,434,210	1,523,314	89,104	1,422,777
Expenditures:					
General Government:					
Sales tax	32,164	52,164	31,436	20,728	41,540
Energy efficiency initiatives	2,898	2,898	2,716	182	2,700
Debt Service:					
Principal	148,828	148,828	148,828	-	143,165
Interest	13,338	13,338	13,339	(1)	19,002
Total Expenditures	197,228	217,228	196,319	20,909	206,407
Excess (Deficiency) of Revenues Over Expenditures	1,236,982	1,216,982	1,326,995	110,013	1,216,370
Other Financing Sources (Uses):					
Transfers in	-	-	-	-	271,743
Transfers (out)	(2,073,776)	(2,126,536)	(1,631,459)	495,077	(642,040)
Total Other Financing Sources (Uses)	(2,073,776)	(2,126,536)	(1,631,459)	495,077	(370,297)
Net Change in Fund Balances	(836,794)	(909,554)	(304,464)	605,090	846,073
Fund Balances - Beginning of Year			1,861,418		1,015,345
Fund Balances - End of Year			1,556,954		1,861,418

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The accompanying notes are an integral part of these financial statements.

SUPPLEMENTARY INFORMATION

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Gunnison County
COLORADO

Gunnison County, Colorado
Capital Project Funds
Airport Construction Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2013
(With Comparative Actual Amounts for the Year Ended December 31, 2012)

	2013				2012
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Revenues:					
Intergovernmental:					
Federal grants	1,324,500	1,324,500	71,821	(1,252,679)	792,643
State grants	397,056	397,056	101,485	(295,571)	518,336
Charges for Services:					
Passenger facility charges	100,000	100,000	110,973	10,973	112,421
Investment Income	350	350	96	(254)	367
Total Revenues	1,821,906	1,821,906	284,375	(1,537,531)	1,423,767
Expenditures:					
Public Works	1,849,677	1,849,677	152,483	1,697,194	1,383,560
Debt Service:					
Principal	73,640	73,640	97,800	(24,160)	1,070,618
Interest	10,983	10,983	16,201	(5,218)	40,825
Total Expenditures	1,934,300	1,934,300	266,484	1,667,816	2,495,003
Excess (Deficiency) of Revenues Over Expenditures	(112,394)	(112,394)	17,891	130,285	(1,071,236)
Other Financing Sources (Uses):					
Transfers (out)	26,316	26,316	26,316	-	110,000
Sale of capital assets	35,000	35,000	-	(35,000)	-
Debt proceeds	-	-	354,200	354,200	-
Total Other Financing Sources (Uses)	61,316	61,316	380,516	319,200	110,000
Net Change in Fund Balances	(51,078)	(51,078)	398,407	449,485	(961,236)
Fund Balances - Beginning of Year			(301,347)		659,889
Fund Balances - End of Year			97,060		(301,347)

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The accompanying notes are an integral part of these financial statements.

Gunnison County, Colorado
Capital Projects Funds
Capital Expenditures Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2013
(With Comparative Actual Amounts for the Year Ended December 31, 2012)

	2013				2012
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Revenues:					
Intergovernmental:					
Federal grants	-	-	-	-	35,738
State grants	-	282,778	77,150	(205,628)	18,237
Investment Income	1,500	1,600	2,089	489	5,603
Contributions	-	-	-	-	7,102
Total Revenues	1,500	284,378	79,239	(205,139)	66,680
Expenditures:					
General Government:					
Ohio City town hall	-	157,778	-	157,778	-
Multi-purpose heating system	-	-	-	-	202,275
Other capital expenditures	30	30	11	19	128
Public Safety:					
Jail construction	-	7,530	7,530	-	220,309
Public Works:					
Public works facility construction	-	-	420	(420)	85,201
Judicial:					
District attorney	360,870	1,878,689	927,511	951,178	114,486
Total Expenditures	360,900	2,044,027	935,472	1,108,555	622,399
Excess (Deficiency) of Revenues Over Expenditures	(359,400)	(1,759,649)	(856,233)	903,416	(555,719)
Other Financing Sources (Uses):					
Transfers in	360,870	2,286,852	695,302	(1,591,550)	329,859
Transfers (out)	-	(580,717)	(580,717)	-	(144,800)
Debt proceeds	-	9,250,000	9,999,100	749,100	-
Total Other Financing Sources (Uses)	360,870	10,956,135	10,113,685	(842,450)	185,059
Net Change in Fund Balances	1,470	9,196,486	9,257,452	60,966	(370,660)
Fund Balances - Beginning of Year			2,331,177		2,701,837
Fund Balances - End of Year			11,588,629		2,331,177

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The accompanying notes are an integral part of these financial statements.

Gunnison County, Colorado
Non-major Governmental Funds
Combining Balance Sheet
For the Year Ended December 31, 2013

	Special Revenue								Debt Service	
	Conservation Trust Fund	Public Health Fund	Mosquito Control Fund	Land Preservation Fund	Sage Grouse Fund	Risk Management Fund	Gunnison County Housing Auth. Administration	Local Marketing District	Debt Service Fund	Total Non-major Governmental Funds
Assets:										
Cash and investments - Unrestricted	72,571	300	23,172	120,805	91,503	523,064	157,889	305,119	7,717	1,302,140
Cash and investments - Restricted	-	-	-	-	-	-	-	-	1,733,229	1,733,229
Accounts receivable	-	31,090	-	52,526	750	1,911	75	224,410	-	310,762
Prepaid expenses	-	-	-	-	-	13,995	-	-	-	13,995
Due from other governments	-	-	-	-	-	-	(7,041)	-	-	(7,041)
Due from other funds	-	43,407	-	-	5,000	-	-	-	-	48,407
Total Assets	72,571	74,797	23,172	173,331	97,253	538,970	150,923	529,529	1,740,946	3,401,492
Liabilities, Deferred Inflow of Resources, and Fund Balances:										
Liabilities:										
Accounts payable	-	9,943	-	-	-	-	3,072	-	-	13,015
Unearned grant revenue	-	40,060	-	-	-	-	12,640	-	150,681	203,381
Due to other funds	20,319	-	5,250	-	-	-	11,003	-	481,515	518,087
Total Liabilities	20,319	50,003	5,250	-	-	-	26,715	-	632,196	734,483
Fund Balances:										
Non-spendable	-	-	-	-	-	13,995	-	-	-	13,995
Spendable:										
Restricted	52,252	-	-	173,331	-	-	-	529,529	150,691	905,803
Committed	-	24,794	17,922	-	97,253	-	-	-	1,582,538	1,722,507
Assigned	-	-	-	-	-	524,975	124,208	-	-	649,183
Unassigned	-	-	-	-	-	-	-	-	(624,479)	(624,479)
Total Fund Balances	52,252	24,794	17,922	173,331	97,253	538,970	124,208	529,529	1,108,750	2,667,009
Total Liabilities, Deferred Inflow of Resources, and Fund Balances	72,571	74,797	23,172	173,331	97,253	538,970	150,923	529,529	1,740,946	3,401,492

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The accompanying notes are an integral part of these financial statements.

Gunnison County, Colorado
Non-major Governmental Funds
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended December 31, 2013

	Special Revenue								Debt Service	
	Conservation Trust Fund	Public Health Fund	Mosquito Control Fund	Land Preservation Fund	Sage Grouse Fund	Risk Management Fund	Gunnison County Housing Auth. Administration	Local Marketing District	Debt Service Fund	Total Non-major Governmental Funds
Revenues:										
Taxes	-	7,232	56,618	315,168	-	-	-	1,134,419	-	1,513,437
Intergovernmental	44,205	250,575	14,277	-	-	-	-	-	313,669	622,726
Charges for services	-	29,754	-	-	-	-	70,864	-	-	100,618
Investment income	385	-	-	1,022	-	1,999	495	1,766	7,052	12,719
Contributions	-	2,250	-	-	-	90,124	-	-	-	92,374
Miscellaneous	-	69,641	264	-	55,943	-	5,445	-	-	131,293
Total Revenues	44,590	359,452	71,159	316,190	55,943	92,123	76,804	1,136,185	320,721	2,473,167
Expenditures:										
General government	-	-	-	-	32,806	8,765	-	1,032,461	-	1,074,032
Health and welfare	-	459,762	84,813	-	-	-	48,443	-	-	593,018
Culture and recreation	971	-	-	478,223	-	-	-	-	-	479,194
Debt service	-	-	-	-	-	-	32,059	-	1,343,986	1,376,045
Total Expenditures	971	459,762	84,813	478,223	32,806	8,765	80,502	1,032,461	1,343,986	3,522,289
Excess (Deficiency) of Revenues Over Expenditures	43,619	(100,310)	(13,654)	(162,033)	23,137	83,358	(3,698)	103,724	(1,023,265)	(1,049,122)
Other Financing Sources (Uses):										
Transfers in	-	140,512	14,277	-	-	-	39,032	-	2,139,545	2,333,366
Transfers (out)	(76,500)	(36,096)	(828)	-	(81,411)	-	(13,428)	(9,720)	(7,530)	(225,513)
Total Other Financing Sources (Uses)	(76,500)	104,416	13,449	-	(81,411)	-	25,604	(9,720)	2,132,015	2,107,853
Net Change in Fund Balances	(32,881)	4,106	(205)	(162,033)	(58,274)	83,358	21,906	94,004	1,108,750	1,058,731
Fund Balances - Beginning of Year	85,133	20,688	18,127	335,364	155,527	455,612	102,302	435,525	-	1,608,278
Fund Balances - End of Year	52,252	24,794	17,922	173,331	97,253	538,970	124,208	529,529	1,108,750	2,667,009

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The accompanying notes are an integral part of these financial statements.

Gunnison County, Colorado
Special Revenue Funds
Conservation Trust Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2013
(With Comparative Actual Amounts for the Year Ended December 31, 2012)

	2013				2012
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Revenues:					
Lottery proceeds	40,000	40,000	44,205	4,205	52,899
Earnings on investments	420	420	385	(35)	2,048
Total Revenues	40,420	40,420	44,590	4,170	54,947
Expenditures:					
Treasurer's fees	740	1,040	971	69	529
Total Expenditures	740	1,040	971	69	529
Excess (Deficiency) of Revenues Over Expenditures	39,680	39,380	43,619	4,239	54,418
Other Financing Sources (Uses):					
Transfers (out)	(73,700)	(76,500)	(76,500)	-	(20,000)
Total Other Financing Sources (Uses)	(73,700)	(76,500)	(76,500)	-	(20,000)
Net Change in Fund Balances	(34,020)	(37,120)	(32,881)	4,239	34,418
Fund Balances - Beginning of Year			85,133		50,715
Fund Balances - End of Year			52,252		85,133

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The accompanying notes are an integral part of these financial statements.

Gunnison County, Colorado
Special Revenue Funds
Public Health Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2013
(With Comparative Actual Amounts for the Year Ended December 31, 2012)

	2013				2012
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Revenues:					
Taxes:					
Other taxes	9,000	9,000	7,232	(1,768)	17,515
Intergovernmental:					
State grants	217,338	242,713	243,172	459	200,682
Local grants	46,672	46,672	7,403	(39,269)	12,787
Charges for Services	25,000	25,000	29,754	4,754	39,927
Contributions	68,700	68,700	2,250	(66,450)	2,140
Miscellaneous	-	-	69,641	69,641	11,722
Total Revenues	366,710	392,085	359,452	(32,633)	284,773
Expenditures:					
Health and welfare:					
Program support	157,993	157,993	149,744	8,249	138,929
Child and family health	140,440	161,609	142,840	18,769	126,346
Community health services	212,160	212,160	167,178	44,982	117,728
Total Expenditures	510,593	531,762	459,762	72,000	383,003
Excess (Deficiency) of Revenues Over Expenditures	(143,883)	(139,677)	(100,310)	39,367	(98,230)
Other Financing Sources (Uses):					
Transfers in	162,946	162,946	140,512	(22,434)	125,343
Transfers (out)	(36,096)	(36,096)	(36,096)	-	(30,732)
Total Other Financing Sources (Uses)	126,850	126,850	104,416	(22,434)	94,611
Net Change in Fund Balances	(17,033)	(12,827)	4,106	16,933	(3,619)
Fund Balances - Beginning of Year			20,688		24,307
Fund Balances - End of Year			24,794		20,688

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The accompanying notes are integral part of these financial statements.

Gunnison County, Colorado
Special Revenue Funds
Mosquito Control Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2013
(With Comparative Actual Amounts for the Year Ended December 31, 2012)

	2013				2012
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Revenues:					
Taxes:					
Property tax revenue	56,857	56,857	56,691	(166)	54,024
Delinquent tax and interest	-	-	(72)	(72)	(18)
Intergovernmental:					
Local grants	14,277	14,277	14,277	-	13,521
Miscellaneous	250	250	264	14	319
Total Revenues	71,384	71,384	71,160	(224)	67,846
Expenditures:					
Operations	84,728	85,993	84,814	1,179	81,540
Total Expenditures	84,728	85,993	84,814	1,179	81,540
Excess (Deficiency) of Revenues Over Expenditures	(13,344)	(14,609)	(13,654)	955	(13,694)
Other Financing Sources (Uses):					
Transfers in	14,277	14,277	14,277	-	13,521
Transfers (out)	(828)	(828)	(828)	-	(1,116)
Total Other Financing Sources (Uses)	13,449	13,449	13,449	-	12,405
Net Change in Fund Balances	105	(1,160)	(205)	955	(1,289)
Fund Balances - Beginning of Year			18,127		19,416
Fund Balances - End of Year			17,922		18,127

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The accompanying notes are an integral part of these financial statements.

Gunnison County, Colorado
Special Revenue Funds
Land Preservation Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2013
(With Comparative Actual Amounts for the Year Ended December 31, 2012)

	2013				2012
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Revenues:					
Taxes:					
Sales tax	300,000	300,000	315,168	15,168	309,360
Intergovernmental:					
Investment Income	1,900	1,900	1,022	(878)	1,978
Total Revenues	301,900	301,900	316,190	14,290	311,338
Expenditures:					
Culture and Recreation:					
Land preservation	301,131	601,131	478,223	122,908	289,932
Debt Service:					
Principal payments	-	-	-	-	133,762
Interest payments	-	-	-	-	2,503
Total Expenditures	301,131	601,131	478,223	122,908	426,197
Excess (Deficiency) of Revenues Over Expenditures	769	(299,231)	(162,033)	137,198	(114,859)
Net Change in Fund Balances	769	(299,231)	(162,033)	137,198	(114,859)
Fund Balances - Beginning of Year			335,364		450,223
Fund Balances - End of Year			173,331		335,364

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The accompanying notes are an integral part of these financial statements.

Gunnison County, Colorado
Special Revenue Funds
Sage Grouse Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2013
(With Comparative Actual Amounts for the Year Ended December 31, 2012)

	2013				2012
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Revenues:					
Miscellaneous	54,768	54,768	55,943	1,175	64,537
Total Revenues	54,768	54,768	55,943	1,175	64,537
Expenditures:					
General government	2,500	66,535	32,806	33,729	47,753
Total Expenditures	2,500	66,535	32,806	33,729	47,753
Excess (Deficiency) of Revenues Over Expenditures	52,268	(11,767)	23,137	34,904	16,784
Other Financing Sources (Uses):					
Transfers (out)	(81,411)	(81,411)	(81,411)	-	(80,000)
Total Other Financing Sources (Uses)	(81,411)	(81,411)	(81,411)	-	(80,000)
Net Change in Fund Balances	(29,143)	(93,178)	(58,274)	34,904	(63,216)
Fund Balances - Beginning of Year			155,527		218,743
Fund Balances - End of Year			97,253		155,527

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The accompanying notes are an integral part of these financial statements.

Gunnison County, Colorado
Special Revenue Funds
Risk Management Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2013
(With Comparative Actual Amounts for the Year Ended December 31, 2012)

	2013				2012
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Revenues:					
Investment Income	2,100	2,100	1,999	(101)	4,030
Contributions	168,850	168,850	90,124	(78,726)	128,348
Miscellaneous	-	-	-	-	6,275
Total Revenues	170,950	170,950	92,123	(78,827)	138,653
Expenditures:					
General Government:					
CAPP Insurance Claims	50,000	50,000	6,808	43,192	32,312
Other expenses	65,500	65,500	1,957	63,543	42,655
Total Expenditures	115,500	115,500	8,765	106,735	74,967
Net Change in Fund Balances	55,450	55,450	83,358	27,908	63,686
Fund Balances - Beginning of Year			455,612		391,926
Fund Balances - End of Year			538,970		455,612

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The accompanying notes are an integral part of these financial statements.

Gunnison County, Colorado
Special Revenue Funds
Gunnison County Housing Authority Administration
Schedule of Revenues, Expenditures and Available Resources
Budget (Non-GAAP Basis) and Actual
For the Year Ended December 31, 2013
(With Comparative Actual Amounts for the Year Ended December 31, 2012)

	2013				2012
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Revenues:					
Intergovernmental:					
Federal grants	-	-	-	-	16,310
Local grants	-	-	-	-	80,604
Charges for Services:					
Fees	69,360	69,360	70,864	1,504	89,388
Investment Income	-	-	495	495	1,497
Miscellaneous	9,500	9,500	5,445	(4,055)	10,782
Total Revenues	78,860	78,860	76,804	(2,056)	198,581
Expenditures:					
Health and Welfare	36,215	50,655	48,443	2,212	149,212
Debt Service:					
Principal	30,642	30,642	30,636	6	57,836
Interest	1,417	1,417	1,423	(6)	3,754
Total Expenditures	68,274	82,714	80,502	2,212	210,802
Excess (Deficiency) of Revenues Over Expenditures	10,586	(3,854)	(3,698)	156	(12,221)
Other Financing Sources (Uses):					
Transfers in	49,532	49,532	39,032	(10,500)	146,475
Transfers (out)	(13,428)	(13,428)	(13,428)	-	(73,428)
Total Other Financing Sources (Uses)	36,104	36,104	25,604	(10,500)	73,047
Net Change in Fund Balances	46,690	32,250	21,906	(10,344)	60,826
Fund Balances - Beginning of Year			102,302		41,476
Fund Balances - End of Year			124,208		102,302

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The accompanying notes are an integral part of these financial statements.

Gunnison County, Colorado
Special Revenue Funds
Local Marketing District
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2013
(With Comparative Actual Amounts for the Year Ended December 31, 2012)

	2013				2012
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Revenues:					
Marketing and promotion tax	980,000	980,000	1,134,419	154,419	1,093,649
Earnings on investments	1,500	1,500	1,766	266	4,013
Total Revenues	981,500	981,500	1,136,185	154,685	1,097,662
Expenditures:					
General Government:					
Contracted services	1,010,822	1,040,822	1,013,422	27,400	1,180,107
Other	21,577	21,577	19,039	2,538	20,593
Total Expenditures	1,032,399	1,062,399	1,032,461	29,938	1,200,700
Excess (Deficiency) of Revenues Over Expenditures	(50,899)	(80,899)	103,724	184,623	(103,038)
Other Financing Sources (Uses):					
Transfers (out)	(9,720)	(9,720)	(9,720)	-	(16,440)
Total Other Financing Sources (Uses)	(9,720)	(9,720)	(9,720)	-	(16,440)
Net Change in Fund Balances	(60,619)	(90,619)	94,004	184,623	(119,478)
Fund Balances - Beginning of Year			435,525		555,003
Fund Balances - End of Year			529,529		435,525

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The accompanying notes are an integral part of these financial statements.

Gunnison County, Colorado
Debt Service Funds
Debt Service Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2013
(With Comparative Actual Amounts for the Year Ended December 31, 2012)

	2013				2012
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Revenues:					
Federal grants	327,934	627,369	313,669	(313,700)	327,934
Earnings on investments	-	(60)	7,052	7,112	55
Total Revenues	327,934	627,309	320,721	(306,588)	327,989
Expenditures:					
Debt Service:					
Principal	405,000	405,000	405,000	-	395,000
Interest	936,955	936,955	936,955	-	944,855
Other debt service	2,300	2,300	2,031	269	2,021
Total Expenditures	1,344,255	1,344,255	1,343,986	269	1,341,876
Excess (Deficiency) of Revenues Over Expenditures	(1,016,321)	(716,946)	(1,023,265)	(306,319)	(1,013,887)
Other Financing Sources (Uses):					
Transfers in	1,016,321	2,785,086	2,139,545	(645,541)	1,013,887
Transfers (out)	-	(7,530)	(7,530)	-	-
Total Other Financing Sources (Uses)	1,016,321	2,777,556	2,132,015	(645,541)	1,013,887
Net Change in Fund Balances	-	2,060,610	1,108,750	(951,860)	-
Fund Balances - Beginning of Year			-		-
Fund Balances - End of Year			1,108,750		-

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The accompanying notes are an integral part of these financial statements.

Gunnison County, Colorado
Enterprise Funds
Airport Operations Fund
Schedule of Revenues, Expenditures and Available Resources
Budget (Non-GAAP Basis) and Actual
For the Year Ended December 31, 2013
(With Comparative Actual Amounts for the Year Ended December 31, 2012)

	2013				2012
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Operating Revenues:					
Airport fees	282,000	282,000	289,141	7,141	300,548
Terminal & hanger rent	439,977	439,977	422,100	(17,877)	431,760
Parking fees & fines	75,000	75,000	73,005	(1,995)	72,985
Grants	48,500	48,500	37,404	(11,096)	52,506
Other	307,700	307,700	336,439	28,739	279,321
Total Operating Revenues	1,153,177	1,153,177	1,158,089	4,912	1,137,120
Operating Expenditures:					
Administration	189,599	220,856	191,731	29,125	193,951
Terminal operations	209,320	209,320	229,376	(20,056)	212,318
Runway & grounds maintenance.	206,302	206,302	178,439	27,863	183,900
Snow removal	123,332	123,332	95,758	27,574	80,950
Aircraft rescue	169,009	169,009	131,626	37,383	124,173
Security	81,571	81,571	77,344	4,227	107,797
Wildlife	43,314	43,314	41,264	2,050	37,786
Capital outlay	105,000	195,454	199,784	(4,330)	290,742
Total Operating Expenditures	1,127,447	1,249,158	1,145,322	103,836	1,231,617
Operating Income (Loss)	25,730	(95,981)	12,767	108,748	(94,497)
Non-operating Revenues (Expenditures):					
Proceeds from sale of assets	-	-	200	200	10,100
Transfers (out)	(71,424)	(71,424)	(71,424)	-	(192,166)
Investment revenue	11,500	11,500	2,912	(8,588)	9,896
Total Non-operating Revenues (Expenditures)	(59,924)	(59,924)	(68,312)	(8,388)	(172,170)
Change in Net Position - Budget Basis	(34,194)	(155,905)	(55,545)	100,360	(266,667)
Available Resources - Beginning of Year			766,661		1,033,328
Available Resources - End of Year			711,116		766,661
Available resources at year-end is computed as follows:					
Current assets			859,915		970,996
Current liabilities			(80,950)		(131,488)
Accrued compensated absences			(67,849)		(72,847)
			711,116		766,661

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The accompanying notes are an integral part of these financial statements.

Gunnison County, Colorado
Enterprise Funds
Gunnison County Sewer Fund
Schedule of Revenues, Expenditures and Available Resources
Budget (Non-GAAP) Basis and Actual
For the Year Ended December 31, 2013
(With Comparative Actual Amounts for the Year Ended December 31, 2012)

	2013				2012
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Revenues:					
Dos Rios Division:					
Tap fees	5,500	5,500	8,500	3,000	-
User fees	158,160	158,160	160,607	2,447	157,118
Late fees	2,000	2,000	1,597	(403)	2,195
Other revenue	1,500	1,500	2,720	1,220	2,345
Total Dos Rios Division	167,160	167,160	173,424	6,264	161,658
Somerset Division:					
User fees	8,590	8,590	8,592	2	8,341
Late fees	100	100	102	2	151
Other revenue	50	50	190	140	693
Total Somerset Division	8,740	8,740	8,884	144	9,185
Antelope Hills Division:					
User fees	44,430	44,430	44,193	(237)	44,435
Late fees	400	400	467	67	495
Other revenue	150	150	1,228	1,078	4,102
Total Antelope Hills Division	44,980	44,980	45,888	908	49,032
North Gunnison Division:					
Tap fees	6,000	6,000	12,000	6,000	37,500
User fees	236,980	236,980	235,948	(1,032)	223,867
Late fees	1,500	1,500	1,021	(479)	1,193
Other revenue	1,000	1,000	585	(415)	72,339
Total North Gunnison Division	245,480	245,480	249,554	4,074	334,899
Tomichi Division:					
Tap fees	-	-	-	-	-
User fees	11,734	11,734	7,086	(4,648)	7,554
Other revenue	-	-	50	50	230
Total Tomichi Division	11,734	11,734	7,136	(4,598)	7,784
Total Revenues	478,094	478,094	484,886	6,792	562,558
Expenditures:					
Dos Rios Division:					
Operations	116,188	116,188	112,391	3,797	115,649
Transfers to other funds	37,376	37,376	35,317	2,059	39,064
Capital outlay	75,000	75,000	77,682	(2,682)	71,631
Total Dos Rios Division	228,564	228,564	225,390	3,174	226,344
Somerset Division:					
Operations	7,815	7,815	9,599	(1,784)	7,615
Transfers to other funds	1,366	1,366	1,299	67	1,270
Total Somerset Division	9,181	9,181	10,898	(1,717)	8,885
Antelope Hills Division:					
Operations	27,422	27,422	12,766	14,656	21,004
Transfers to other funds	8,789	8,789	8,413	376	8,781
Total Antelope Hills Division	36,211	36,211	21,179	15,032	29,785
North Gunnison Division:					
Operations	80,681	119,681	118,266	1,415	87,475
Transfers to other funds	24,035	24,035	22,922	1,113	23,756
Debt service	115,243	115,243	114,887	356	114,451
Total North Gunnison Division	219,959	258,959	256,075	2,884	225,682
Tomichi Division:					
Operations	11,364	11,364	6,834	4,530	7,234
Transfers to other funds	370	370	303	67	334
Total Tomichi Division	11,734	11,734	7,137	4,597	7,568
Total Expenditures	505,649	544,649	520,679	23,970	498,264
Change in Net Position - Budget Basis	(27,555)	(66,555)	(35,793)	30,762	64,294
Available Resources - Beginning of Year			888,391		824,097
Available Resources - End of Year			852,598		888,391
Available resources at year-end is computed as follows:					
Current assets			946,637		982,837
Current liabilities			(134,402)		(133,055)
Current portion of long-term obligations			40,363		38,609
			852,598		888,391

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The accompanying notes are an integral part of these financial statements.

Gunnison County, Colorado
Enterprise Funds
Water Fund
Schedule of Revenues, Expenditures and Available Resources
Budget (Non-GAAP) Basis and Actual
For the Year Ended December 31, 2013
(With Comparative Actual Amounts for the Year Ended December 31, 2012)

	2013				2012
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Operating Revenues:					
User fees	288,488	288,488	270,104	(18,384)	198,741
Availability fees	7,610	7,610	7,561	(49)	7,445
Contributions	-	-	27,500	27,500	5,000
Earnings on investments	1,500	1,500	923	(577)	2,854
Other	18,184	50,554	44,078	(6,476)	5,661
Total Operating Revenues	315,782	348,152	350,166	2,014	219,701
Operating Expenditures:					
Dos Rios Division:					
Operating expenses	129,373	194,322	124,351	69,971	118,488
Somerset Division:					
Debt service	8,024	8,024	3,161	4,863	7,952
Antelope Hills Division:					
Operating expenses	16,879	76,316	26,204	50,112	7,187
Capital outlay	-	138,183	286,094	(147,911)	848,375
Debt service	55,154	78,678	1,148,353	(1,069,675)	-
Utilities Administration:					
Operating expenses	46,001	46,001	50,937	(4,936)	43,408
Total Operating Expenditures	255,431	541,524	1,639,100	(1,097,576)	1,025,410
Operating Income (Loss)	60,351	(193,372)	(1,288,934)	(1,095,562)	(805,709)
Non-operating Revenues (Expenditures):					
Transfers in	25,436	25,436	21,755	(3,681)	23,321
Transfers (out)	(25,744)	(25,744)	(25,744)	-	(24,836)
Debt proceeds	-	305,977	1,478,032	1,172,055	808,147
Total Non-operating Revenues (Expenditures)	(308)	305,669	1,474,043	1,168,374	806,632
Change in Net Position - Budget Basis	60,043	112,297	185,109	72,812	923
Available Resources - Beginning of Year			289,061		288,138
Available Resources - End of Year			474,170		289,061
Available resources at year-end is computed as follows:					
Current assets			505,973		396,948
Current liabilities			(46,478)		(906,609)
Current portion of long-term obligations			23,649		812,931
Accrued compensated absences			(8,974)		(14,209)
			474,170		289,061

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The accompanying notes are an integral part of these financial statements.

Gunnison County, Colorado
Enterprise Funds
Landfill Operations Fund
Schedule of Revenues, Expenditures and Available Resources
Budget (Non-GAAP Basis) and Actual
For the Year Ended December 31, 2013
(With Comparative Actual Amounts for the Year Ended December 31, 2012)

	2013				2012
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Operating Revenues:					
Landfill:					
Disposal fees	603,421	603,421	619,198	15,777	670,566
Other	21,412	21,412	30,035	8,623	36,308
Total Landfill Revenues	624,833	624,833	649,233	24,400	706,874
Recycling:					
Recycled material sales	100,000	100,000	132,832	32,832	129,463
Total Recycling Revenues	100,000	100,000	132,832	32,832	129,463
Total Operating Revenues	724,833	724,833	782,065	57,232	836,337
Operating Expenditures:					
Closure and postclosure	5,204	5,204	20	5,184	-
Operations and maintenance	2,193,149	2,193,149	985,355	1,207,794	593,378
Capital outlay	-	-	-	-	145,018
Total Landfill Expenditures	2,198,353	2,198,353	985,375	1,212,978	738,396
Recycling Expenditures:					
Capital outlay	-	-	-	-	85,959
Total Recycling Expenditures	-	-	-	-	85,959
Total Operating Expenditures	2,198,353	2,198,353	985,375	1,212,978	824,355
Operating Income (Loss)	(1,473,520)	(1,473,520)	(203,310)	1,270,210	11,982
Non-operating Revenues (Expenditures):					
Transfers (out)	(108,204)	(108,204)	(108,204)	-	(84,492)
Investment revenue	19,000	19,000	9,930	(9,070)	27,450
Total Non-operating Revenues (Expenditures)	(89,204)	(89,204)	(98,274)	(9,070)	(57,042)
Change in Net Position - Budget Basis	(1,562,724)	(1,562,724)	(301,584)	1,261,140	(45,060)
Available Resources - Beginning of Year			2,786,500		2,831,560
Available Resources - End of Year			2,484,916		2,786,500

Available resources at year-end is computed as follows:

Current assets	2,531,146	2,859,869
Current liabilities	(27,297)	(46,886)
Accrued compensated absences	(18,933)	(26,483)
	2,484,916	2,786,500

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The accompanying notes are an integral part of these financial statements.

Gunnison County, Colorado
Enterprise Funds
Gunnison County Housing Authority - Assisted Living
Schedule of Revenues, Expenditures and Available Resources
Budget (Non-GAAP Basis) and Actual
For the Year Ended December 31, 2013
(With Comparative Actual Amounts for the Year Ended December 31, 2012)

	2013				2012
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Operating Revenues:					
Palisade Assisted Living:					
Donations and debt service reimbursements	36,488	36,488	36,488	-	36,821
Total Operating Revenues	36,488	36,488	36,488	-	36,821
Operating Expenditures:					
Principal payments	18,324	18,324	17,989	335	17,532
Interest payments	18,164	18,164	18,499	(335)	19,289
Total Operating Expenditures	36,488	36,488	36,488	-	36,821
Change in Net Position - Budget Basis	-	-	-	-	-
Available Resources - Beginning of Year			3,051		3,051
Available Resources - End of Year			3,051		3,051
Available resources at year-end is computed as follows:					
Current assets			3,051		3,051
Current liabilities			(19,096)		(18,324)
Current portion of long-term obligations			19,096		18,324
			3,051		3,051

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The accompanying notes are an integral part of these financial statements.

Gunnison County, Colorado
Enterprise Funds
Gunnison County Housing Authority - Mountain View
Schedule of Revenues, Expenditures and Available Resources
Budget (Non-GAAP Basis) and Actual
For the Year Ended December 31, 2013
(With Comparative Actual Amounts for the Year Ended December 31, 2012)

	2013				2012
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Operating Revenues:					
Mountain View Apartments:					
Tenant payments	95,216	95,216	93,257	(1,959)	92,742
Assistance payment	135,476	135,476	131,984	(3,492)	128,950
Vacancies	(4,900)	(4,900)	(3,100)	1,800	(3,884)
Other revenue	4,700	4,700	3,573	(1,127)	4,398
Total Operating Revenues	230,492	230,492	225,714	(4,778)	222,206
Operating Expenditures:					
Mountain View Apartments:					
Operations	156,175	149,611	133,705	15,906	150,931
Capital outlay	25,000	25,000	2,713	22,287	-
Principal on debt	21,510	21,510	23,679	(2,169)	50,426
Interest on debt	25,473	25,473	33,215	(7,742)	34,063
Total Operating Expenditures	228,158	221,594	193,312	28,282	235,420
Operating Income (Loss)	2,334	8,898	32,402	23,504	(13,214)
Non-operating Revenues (Expenditures):					
Transfers (out)	(20,000)	(20,000)	-	20,000	-
Investment revenue	320	320	310	(10)	86
Total Non-operating Revenues (Expenditures)	(19,680)	(19,680)	310	19,990	86
Change in Net Position - Budget Basis	(17,346)	(10,782)	32,712	43,494	(13,128)
Available Resources - Beginning of Year			167,238		180,366
Available Resources - End of Year			199,950		167,238
Available resources at year-end is computed as follows:					
Current assets			273,269		227,815
Current liabilities			(85,491)		(72,071)
Current portion of long-term obligations			12,172		11,494
			199,950		167,238

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The accompanying notes are an integral part of these financial statements.

Gunnison County, Colorado
Internal Service Funds
Combining Statement of Net Position
For the Year Ended December 31, 2013

	Internal Service Fund I	Internal Service Fund II	Internal Service Fund III	Total
Current Assets:				
Cash	1,713,260	561,179	1,387,765	3,662,204
Accounts receivable, net of allowance for uncollectible accounts, where applicable	4,149	13,302	1,009,425	1,026,876
Prepaid expenses	713	60,298	-	61,011
Due from other funds	162,942	-	13,677	176,619
Inventory, at cost	542,953	6,244	-	549,197
Total Current Assets	2,424,017	641,023	2,410,867	5,475,907
Non-current Assets:				
Land, property and equipment	18,268,681	1,568,766	-	19,837,447
Less: Accumulated depreciation	(9,007,225)	(1,230,303)	-	(10,237,528)
Total Non-current Assets	9,261,456	338,463	-	9,599,919
Total Assets	11,685,473	979,486	2,410,867	15,075,826
Liabilities:				
Current Liabilities:				
Accounts payable	76,733	6,807	864,898	948,438
Accrued liabilities	-	-	166,843	166,843
Due to other funds	-	6,733	-	6,733
Total Current Liabilities	76,733	13,540	1,031,741	1,122,014
Non-current Liabilities:				
Accrued compensated absences	63,635	26,336	5,082	95,053
Total Non-current Liabilities	63,635	26,336	5,082	95,053
Total Liabilities	140,368	39,876	1,036,823	1,217,067
Net Position:				
Net investment in capital assets	9,261,456	338,463	-	9,599,919
Restricted	543,666	66,542	-	610,208
Unrestricted	1,739,983	534,605	1,374,044	3,648,632
Total Net Position	11,545,105	939,610	1,374,044	13,858,759

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The accompanying notes are an integral part of these financial statements.

Gunnison County, Colorado
Internal Service Funds
Combining Statement of Revenues, Expenses and Changes in Fund Net Position
For the Year Ended December 31, 2013

	Internal Service Fund I	Internal Service Fund II	Internal Service Fund III	Total
Operating Revenues:				
Rent, net	1,789,582	-	-	1,789,582
Charges and fees	464	2,087	1,314,036	1,316,587
Other	221,898	788,483	2,298,695	3,309,076
Total Operating Revenues	2,011,944	790,570	3,612,731	6,415,245
Operating Expenses:				
Operations and maintenance	1,660,564	523,040	3,345,433	5,529,037
Administration	77,909	108,341	-	186,250
Depreciation and amortization	678,493	223,808	-	902,301
Total Operating Expenses	2,416,966	855,189	3,345,433	6,617,588
Operating Income (Loss)	(405,022)	(64,619)	267,298	(202,343)
Non-operating Revenues (Expenses):				
Investment revenue	-	-	18,538	18,538
Total Non-operating Revenues (Expenses)	4,500	-	18,538	23,038
Income (Loss) Before Transfers	(400,522)	(64,619)	285,836	(179,305)
Transfers In	925,801	22,420	-	948,221
Transfers (Out)	(90,048)	(71,592)	(23,340)	(184,980)
Change in Net Position	435,231	(113,791)	262,496	583,936
Total Net Position - Beginning of Year	11,109,874	1,053,401	1,111,548	13,274,823
Total Net Position - End of Year	11,545,105	939,610	1,374,044	13,858,759

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The accompanying notes are an integral part of these financial statements.

Gunnison County, Colorado
Internal Service Funds
Combing Statement of Cash Flows
For the Year Ended December 31, 2013

	Internal Service Fund I	Internal Service Fund II	Internal Service Fund III	Total
Cash Flows from Operating Activities:				
Cash received from charges for services	2,008,017	780,112	1,429,809	4,217,938
Cash received from other sources	464	2,087	1,314,036	1,316,587
Cash payments to vendors for goods and services	(1,418,167)	(371,010)	(2,520,686)	(4,309,863)
Cash payments to employees for services	(458,510)	(278,691)	(13,266)	(750,467)
Net Cash Provided (Used) by Operating Activities	131,804	132,498	209,893	474,195
Cash Flows from Non-capital Financing Activities:				
Transfers from (to) other funds, net	899,010	(44,803)	(35,835)	818,372
Net Cash Provided (Used) by Non-capital Financing Activities	899,010	(44,803)	(35,835)	818,372
Cash Flows from Capital and Related Financing Activities:				
Purchase of capital assets	(381,860)	(92,222)	-	(474,082)
Cash from sale of assets	9,488	-	-	9,488
Net Cash Provided (Used) by Capital and Related Financing Activities	(372,372)	(92,222)	-	(464,594)
Cash Flows from Investing Activities:				
Cash from investment income	-	-	18,537	18,537
Net Cash Provided (Used) by Investing Activities	-	-	18,537	18,537
Net Increase (Decrease) in Cash	658,442	(4,527)	192,595	846,510
Cash - Beginning of Year	1,054,818	565,706	1,195,170	2,815,694
Cash - End of Year	1,713,260	561,179	1,387,765	3,662,204
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Operating income (loss)	(405,022)	(64,619)	267,298	(202,343)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Depreciation and amortization	678,493	223,808	-	902,301
Changes in Assets and Liabilities:				
(Increase) decrease in accounts receivable	(3,463)	(8,371)	(868,886)	(880,720)
(Increase) decrease in prepaid expenses	102	(2,958)	-	(2,856)
(Increase) decrease in inventory	168,900	1,263	-	170,163
Increase (decrease) in accounts payable	(316,371)	(17,253)	805,921	472,297
Increase (decrease) in accrued liabilities	-	-	5,624	5,624
Increase (decrease) in compensated absences	9,165	628	(64)	9,729
Net Cash Provided (Used) by Operating Activities	131,804	132,498	209,893	474,195

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The accompanying notes are an integral part of these financial statements.

Gunnison County, Colorado
Internal Service Funds
Internal Service Fund I
Schedule of Revenues, Expenditures and Available Resources
Budget (Non-GAAP Basis) and Actual
For the Year Ended December 31, 2013
(With Comparative Actual Amounts for the Year Ended December 31, 2012)

	2013				2012
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Operating Revenues:					
Equipment rent	1,745,883	1,745,883	1,789,582	43,699	1,783,330
Material and gravel sales	403,500	403,500	221,834	(181,666)	257,430
Other revenues	-	-	528	528	95,814
Total Operating Revenues	2,149,383	2,149,383	2,011,944	(137,439)	2,136,574
Operating Expenditures:					
Administration	268,937	268,937	223,942	44,995	218,648
Fleet maintenance	1,164,084	1,164,084	1,285,179	(121,095)	1,218,389
Materials	403,500	403,500	224,394	179,106	269,265
Property and equipment purchases	926,001	926,001	383,707	542,294	866,871
Equipment lease payments	172,073	172,073	3,112	168,961	164,172
Total Operating Expenditures	2,934,595	2,934,595	2,120,334	814,261	2,737,345
Operating Income (Loss)	(785,212)	(785,212)	(108,390)	676,822	(600,771)
Non-operating Revenues (Expenditures):					
Sale of capital assets	10,000	10,000	9,488	(512)	76,717
Transfers in	925,801	925,801	925,801	-	802,025
Transfers (out)	(90,048)	(90,048)	(90,048)	-	(97,896)
Total Non-operating Revenues (Expenditures)	845,753	845,753	845,241	(512)	780,846
Change in Net Position - Budget Basis	60,541	60,541	736,851	676,310	180,075
Available Resources - Beginning of Year			1,546,798		1,366,723
Available Resources - End of Year			2,283,649		1,546,798

Available resources at year-end is computed as follows:

Current assets	2,424,017	1,994,371
Current liabilities	(76,733)	(393,103)
Accrued compensated absences	(63,635)	(54,470)
	2,283,649	1,546,798

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The accompanying notes are an integral part of these financial statements.

Gunnison County, Colorado
Internal Service Funds
Internal Service Fund II
Schedule of Revenues, Expenditures and Available Resources
Budget (Non-GAAP Basis) and Actual
For the Year Ended December 31, 2013
(With Comparative Actual Amounts for the Year Ended December 31, 2012)

	2013				2012
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Operating Revenues:					
Data processing	454,608	454,608	448,439	(6,169)	396,565
Mapping	179,383	179,383	179,082	(301)	190,708
Telephone system	74,256	74,256	73,138	(1,118)	74,660
Photocopy and postage	82,094	82,094	87,041	4,947	92,008
Other	1,000	1,000	2,870	1,870	814
Total Operating Revenues	791,341	791,341	790,570	(771)	754,755
Operating Expenditures:					
Data Processing:					
Operations	323,777	345,837	140,753	205,084	152,328
GIS Mapping:					
Operations	172,715	172,715	161,905	10,810	137,378
Capital outlay	-	-	-	-	30,192
Telephone System:					
Operations	44,789	44,789	39,875	4,914	31,078
Capital outlay	-	-	92,221	(92,221)	59,930
Photocopy and Postage:					
Operations	81,787	81,787	77,857	3,930	80,577
Help Desk:					
Operations	182,698	182,698	164,456	18,242	160,469
IT Infrastructure:					
Operations	7,150	7,150	9,130	(1,980)	8,859
Systems Development:					
Operations	-	-	20,089	(20,089)	-
IT Training:					
Operations	17,149	17,149	17,316	(167)	6,274
Total Operating Expenditures	830,065	852,125	723,602	128,523	667,085
Operating Income (Loss)	(38,724)	(60,784)	66,968	127,752	87,670
Non-operating Revenues (Expenditures):					
Transfers in	-	22,060	22,420	360	5,500
Transfers (out)	(71,592)	(71,592)	(71,592)	-	(73,788)
Total Non-operating Revenues (Expenditures)	(71,592)	(49,532)	(49,172)	360	(68,288)
Change in Net Position - Budget Basis	(110,316)	(110,316)	17,796	128,112	19,382
Available Resources - Beginning of Year			583,351		563,969
Available Resources - End of Year			601,147		583,351
Available resources at year-end is computed as follows:					
Current assets			641,023		635,484
Current liabilities			(13,540)		(26,425)
Accrued compensated absences			(26,336)		(25,708)
			601,147		583,351

The accompanying notes are an integral part of these financial statements.

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Gunnison County, Colorado
Internal Service Funds
Internal Service Fund III
Schedule of Revenues, Expenditures and Available Resources
Budget (Non-GAAP Basis) and Actual
For the Year Ended December 31, 2013
(With Comparative Actual Amounts for the Year Ended December 31, 2012)

	2013				2012
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Operating Revenues:					
Premium contributions	2,363,457	3,359,957	3,603,097	243,140	2,309,763
Miscellaneous	2,500	2,500	9,634	7,134	4,957
Total Operating Revenues	2,365,957	3,362,457	3,612,731	250,274	2,314,720
Operating Expenditures:					
Operations	2,367,560	3,563,029	3,345,433	217,596	2,171,568
Total Operating Expenditures	2,367,560	3,563,029	3,345,433	217,596	2,171,568
Operating Income (Loss)	(1,603)	(200,572)	267,298	467,870	143,152
Non-operating Revenues (Expenditures):					
Transfers (out)	(23,340)	(23,340)	(23,340)	-	(27,564)
Investment revenue	11,000	11,000	18,538	7,538	10,483
Total Non-operating Revenues (Expenditures)	(12,340)	(12,340)	(4,802)	7,538	(17,081)
Change in Net Position - Budget Basis	(13,943)	(212,912)	262,496	475,408	126,071
Available Resources - Beginning of Year			1,111,548		985,477
Available Resources - End of Year			1,374,044		1,111,548
Available resources at year-end is computed as follows:					
Current assets			2,410,867		1,336,891
Current liabilities			(1,031,741)		(220,197)
Accrued compensated absences			(5,082)		(5,146)
			1,374,044		1,111,548

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The accompanying notes are an integral part of these financial statements.

Gunnison County, Colorado
Agency Funds
County Treasurer Agency Fund
Schedule of Changes in Assets and Liabilities
For the Year Ended December 31, 2013

	Balance Beginning of Year	Additions	Deletions	Balance End of Year
Assets:				
Cash	25,486,545			25,175,844
	}	- }	3,606 {	
Less: Cash held for County funds	(24,469,870)			(24,155,563)
Total Assets	1,016,675	-	3,606	1,020,281
Liabilities:				
Due to other governments and agencies	1,016,675	-	3,606	1,020,281
Total Liabilities	1,016,675	-	3,606	1,020,281

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The accompanying notes are an integral part of these financial statements.

Gunnison County, Colorado
Agency Funds
Public Trustee Agency Fund
Schedule of Changes in Assets and Liabilities
For the Year Ended December 31, 2013

	Balance Beginning of Year	Additions	Deletions	Balance End of Year
Assets:				
Cash	92,995	139,415	(173,772)	58,638
Total Assets	92,995	139,415	(173,772)	58,638
Liabilities:				
Due to governmental funds	25,735	-	(25,735)	-
Held by Trustee	67,260	139,415	(148,037)	58,638
Total Liabilities	92,995	139,415	(173,772)	58,638

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The accompanying notes are an integral part of these financial statements.

ANNUAL SCHEDULE OF REVENUES AND EXPENDITURES
FOR ROADS, BRIDGES AND STREETS

DRAFT

Gunnison County
COLORADO

The public report burden for this information collection is estimated to average 380 hours annually.

LOCAL HIGHWAY FINANCE REPORT	City or County: Gunnison County
	YEAR ENDING : December 2013
This Information From The Records Of (example - City of _ or County of	Prepared By: Linda Nienhueser Phone: (970) 641-7622

I. DISPOSITION OF HIGHWAY-USER REVENUES AVAILABLE FOR LOCAL GOVERNMENT EXPENDITURE

ITEM	A. Local Motor-Fuel Taxes	B. Local Motor-Vehicle Taxes	C. Receipts from State Highway-User Taxes	D. Receipts from Federal Highway Administration
1. Total receipts available				
2. Minus amount used for collection expenses				
3. Minus amount used for nonhighway purposes				
4. Minus amount used for mass transit				
5. Remainder used for highway purposes				

II. RECEIPTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Receipts from local sources:	
1. Local highway-user taxes	
a. Motor Fuel (from Item I.A.5.)	
b. Motor Vehicle (from Item I.B.5.)	
c. Total (a.+b.)	
2. General fund appropriations	
3. Other local imposts (from page 2)	194,842
4. Miscellaneous local receipts (from page 2)	346,411
5. Transfers from toll facilities	
6. Proceeds of sale of bonds and notes:	
a. Bonds - Original Issues	
b. Bonds - Refunding Issues	
c. Notes	
d. Total (a. + b. + c.)	0
7. Total (1 through 6)	541,253
B. Private Contributions	
C. Receipts from State government (from page 2)	2,648,530
D. Receipts from Federal Government (from page 2)	8,168,342
E. Total receipts (A.7 + B + C + D)	11,358,125

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Local highway disbursements:	
1. Capital outlay (from page 2)	8,448,904
2. Maintenance:	2,940,667
3. Road and street services:	
a. Traffic control operations	
b. Snow and ice removal	931,239
c. Other	
d. Total (a. through c.)	931,239
4. General administration & miscellaneous	1,487,412
5. Highway law enforcement and safety	
6. Total (1 through 5)	13,808,223
B. Debt service on local obligations:	
1. Bonds:	
a. Interest	
b. Redemption	
c. Total (a. + b.)	0
2. Notes:	
a. Interest	
b. Redemption	
c. Total (a. + b.)	0
3. Total (1.c + 2.c)	0
C. Payments to State for highways	
D. Payments to toll facilities	
E. Total disbursements (A.6 + B.3 + C + D)	13,808,223

IV. LOCAL HIGHWAY DEBT STATUS
(Show all entries at par)

	Opening Debt	Amount Issued	Redemptions	Closing Debt
A. Bonds (Total)				0
1. Bonds (Refunding Portion)				
B. Notes (Total)				0

V. LOCAL ROAD AND STREET FUND BALANCE

A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
4,715,561	11,358,125	13,808,223	2,265,464	0

Notes and Comments:

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LOCAL HIGHWAY FINANCE REPORT	STATE: Colorado
	YEAR ENDING (mm/yy): December 2013

II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL

ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other local imposts:		**A.4. Miscellaneous local receipts:**	
a. Property Taxes and Assessments		a. Interest on investments	16,665
b. Other local imposts:		b. Traffic Fines & Penalities	
1. Sales Taxes		c. Parking Garage Fees	
2. Infrastructure & Impact Fees		d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses		f. Charges for Services	14,442
5. Specific Ownership &/or Other	194,842	g. Other Misc. Receipts	315,305
6. Total (1. through 5.)	194,842	h. Other	
c. Total (a. + b.)	194,842	i. Total (a. through h.)	346,411
	(Carry forward to page 1)		(Carry forward to page 1)

ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		**D. Receipts from Federal Government**	
1. Highway-user taxes	2,591,510	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	505,304
a. State bond proceeds		b. FEMA	
b. Project Match		c. HUD	
c. Motor Vehicle Registrations	47,517	d. Federal Transit Admin	
d. Other (Specify) - Public Safety	9,503	e. U.S. Corps of Engineers	
e. Other (Specify)		f. Other Federal	7,663,038
f. Total (a. through e.)	57,020	g. Total (a. through f.)	8,168,342
4. Total (1. + 2. + 3.f)	2,648,530	3. Total (1. + 2.g)	
			(Carry forward to page 1)

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL

	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
A.1. Capital outlay:			
a. Right-Of-Way Costs		5,045	5,045
b. Engineering Costs		11,400	11,400
c. Construction:			
(1). New Facilities			0
(2). Capacity Improvements		8,129,794	8,129,794
(3). System Preservation		293,031	293,031
(4). System Enhancement & Operation		9,634	9,634
(5). Total Construction (1) + (2) + (3) + (4)	0	8,432,460	8,432,460
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	8,448,904	8,448,904
			(Carry forward to page 1)

Notes and Comments:

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SINGLE AUDIT REPORTS AND SCHEDULES

DRAFT

Gunnison County
COLORADO

McMahan and Associates, L.L.C.
Certified Public Accountants and Consultants

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REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENTAL AUDITING STANDARDS*

Independent Auditor's Report

To the Board of County Commissioners
Gunnison County, Colorado

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We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of Gunnison County (the "County") as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the County's basic financial statements and have issued our report thereon dated July 31, 2014.

Internal Control Over Financial Reporting

In planning and performing our audit on the financial statements, we considered the County's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the County's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe that a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Governmental Auditing Standards* in considering the County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

McMahan and Associates, L.L.C.
July 31, 2014

DRAFT

McMahan and Associates, L.L.C.
Certified Public Accountants and Consultants

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E-mail: mcmahan@mcmahancpa.com

REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; ON COMPLIANCE WITH THE PASSENGER FACILITY CHARGE PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133 AND THE PASSENGER FACILITY CHARGE AUDIT GUIDE FOR PUBLIC AGENCIES

Independent Auditor's Report

To the Board of County Commissioners
Gunnison County, Colorado

Report on Compliance for Each Major Program

We have audited the Gunnison County's (the "County") compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended December 31, 2013 and its compliance with the compliance requirements described in the *Passenger Facility Charge Audit Guide for Public Agencies* (the "Guide"), issued by the Federal Aviation Administration, for it passenger facility charge program for the year ended December 31, 2013. The County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs and to the passenger facility charge program.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the County's major federal programs and to the passenger facility charge program based on our audit of the types of compliance requirements referred to above, We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments*, *and Non-Profit Organizations* and the Guide. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program and on the passenger facility charge program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program and on the passenger facility charge program. However, our audit does not provide a legal determination on the County's compliance with those requirements.

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To the Board of County Commissioners
Gunnison County

Opinion on Each Major Federal Program and Passenger Facility Charge Program

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and on passenger facility charge program for the year ended December 31, 2013.

Report on Internal Control Over Compliance

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit, we considered the County's internal control over compliance with types of requirements that could have a direct and material effect on each major federal program and on the passenger facility charge program to determine our auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and passenger facility charge program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do no express an opinion on the effectiveness of the County's internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program or passenger facility charge program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program or passenger facility charge program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program or passenger facility program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charges with governance.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to indentify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report in internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133 and the Guide. Accordingly, this report is not suitable for any other purpose.

McMahan and Associates, L.L.C.
July 31, 2014

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Gunnison County, Colorado
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended December 31, 2013

Part I: Summary of Auditor's Results

Financial Statements

Type of auditor's report issued	Unmodified
Internal control over financial reporting:	
Material weakness identified	None noted
Significant deficiency identified	None noted
Noncompliance material to financial statements noted	None noted

Federal Awards

Internal control over major programs:	
Material weakness identified	None noted
Significant deficiency identified	None noted
Type of auditor's report issued on compliance for major programs	Unmodified
Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133	None noted
Major program – Capitalization Grants for	
Highway Research and Development Grant	CFDA# 20.205
Insured Loan Program	CFDA# 14.135
Lower Income Housing Assistance Program	CFDA# 14.871
Dollar threshold used to identify Type A from Type B programs	$300,000
Identified as low-risk auditee	Yes

Part II: Findings Related to Financial Statements

Findings related to financial statements as required by Government Auditing Standards	None noted
Auditor-assigned reference number	Not applicable

Part III: Findings Related to Federal Awards

Internal control findings	None noted
Compliance findings	None noted
Questioned costs	None noted
Auditor-assigned reference number	Not applicable

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Gunnison County, Colorado
SCHEDULE OF PRIOR AUDIT FINDINGS AND QUESTIONED COSTS
For the Year Ended December 31, 2013
(Continued)

Note: There were no findings for the fiscal year ended December 31, 2012.

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Gunnison County, Colorado
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2013

Program Title	Federal CFDA Number	Major Program	Expenditures
Department of Agriculture:			
Passed through Colorado Department of Public Health and Environment:			
Women, Infant, Children	10.557	No	61,561
Women, Infant, Children Breast Feeding Peer Counselor	10.557	No	5,333
Women, Infant, Children (non-cash vouchers)	10.557	No	132,412
Passed through Colorado Department of Human Services:			
Food Assistance-Administration	10.561	No	88,818
Total Department of Agriculture:			288,124
Department of Health and Human Services:			
Drug-Free Communities Support Program	93.276	No	120,499
Passed through Colorado Department of Human Services:			
TANF CO Works	93.558	No	174,809
Title IV-D - Administration	93.563	No	109,273
Low-income Home Energy Assistance	93.568	No	89,549
CCDF Discretionary	93.596	No	87,407
CCDF	93.575	No	61,101
Child Welfare Services IVB	93.645	No	5,239
Foster Care-Title IV-E	93.658	No	153,060
Adoption	93.659	No	33,042
Social Services Block Grant	93.667	No	80,744
Medicaid Assistance Program	93.778	No	51,248
Nurturing parent	93.590	No	11,019
Adjustments to Costs	93.000	No	(398)
Passed through Colorado Department of Public Health and Environment:			
CORE (BT)	93.069	No	17,199
Family Planning	93.217	No	52,933
Family Planning - non-cash materials inc. manuals/IUDs	93.217	No	4,095
Immunizations	93.268	No	3,875
CWCCI/WWC	93.283	No	4,878
Prevention and Public Health Fund (Affordable Care Act)	93.539	No	2,500
Nurturing parent	93.590	No	2,250
Public Health Nurse - Maternal and Child Health Service	93.994	No	9,959
Health Assmt & Plan (OPP)	93.991	No	15,000
Passed through Colorado Department of Public Health and Environment through Region 10 Area for Aging:			
Special Program for the Aging	93.044	No	18,525
Passed through Colorado Department of Local Affairs through Delta County:			
Medicaid Assistance Program	93.778	No	46,799
Total Department of Health and Human Services:			1,154,605
Department of Transportation:			
Federal Aviation Administration:			
Airport Improvement Projects (total)	20.106	No	71,821
Federal Highway Administration:			
Highway Research and Development Program	20.205	Yes	4,252,607
			4,324,428
Subtotal			5,767,157

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Gunnison County, Colorado
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2013
(continued)

Program Title	Federal CFDA Number	Major Program	Expenditures
Department of Homeland Security:			
Passed through Colorado Department of Local Affairs			
Emergency Management Performance Grant	97.042	No	60,213
Total Department of Homeland Security:			60,213
Department of Justice:			
Title V Delinquency Prevention Program	16.548	No	29,987
Victims of Crime Act, Crime Victim Assistance Program	16.575	No	32,354
Juvenile Accountability	16.523	No	35,000
Edward Byrne Memorial Justice Assistance Grant Program	16.738	No	20,912
State Criminal Alien Assistance Program	16.606	No	5,333
Total Department of Justice:			123,586
Department of Housing and Urban Development:			
Passed through Colorado Department of Local Affairs - Division of Housing:			
Section 8 Housing Assistance Payment Program	14.195	No	217,724
Passed through Colorado Department Housing and Finance Authority:			
Insured Loan Program	14.135	Yes	773,480
Lower Income Housing Assistance Program	14.871	Yes	131,984
Total Department of Housing and Urban Development:			1,123,188
Total Federal Assistance:			7,074,144

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Notes to the Schedule of Expenditures of Federal Awards For the Year Ended December 31, 2013

Note 1. Basis of Presentation:
The Schedule of Expenditures of Federal Awards includes the federal grant activity of Gunnison County and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations.* Therefore, some amounts presented in this schedule may differ from amounts presented in or used in the preparation of the general purpose financial statements.

Note 2. Determining the Name of Non-cash Awards Expended :
Fair market value of assistance at the time of disbursement to the recipient, or the assessed value provided by the state or federal agency.

Note 3. Pass Through Sub recipients:
The County had no sub recipients as of December 31, 2013.

Gunnison County, Colorado
Schedule of Passenger Facility Charges Collected and Expended
For the Year Ended December 31, 2013

Program Title	Amounts for Current Year	Unliquidated Balance
Unliquidated PFC revenues, beginning of year		$ -
Revenues:		
Revenues collected from air carriers	110,973	
Interest Earned	-	
Total PFC Revenues	110,973	110,973
Project Expenditures:		
Construction	(110,973)	
Total PFC project expenditures	(110,973)	(110,973)
Unliquidated PFC revenues, end of year		$ -

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The accompanying notes are an integral part of these financial statements.